

# Paper Money

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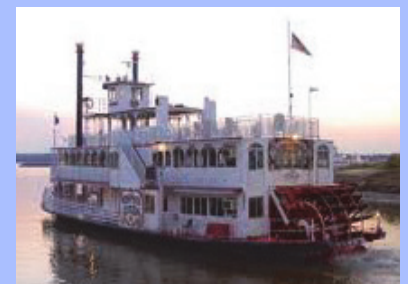
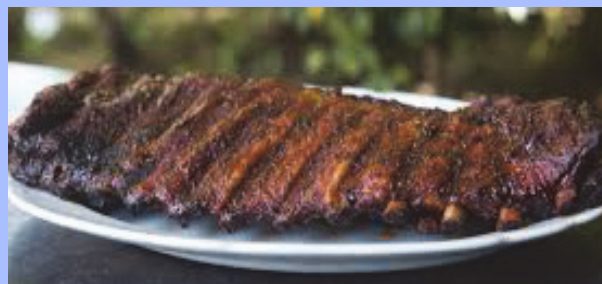
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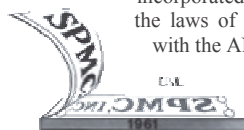
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# Society of Paper Money Collectors

The Society of Paper Money Collectors was organized in 1961 and incorporated in 1964 as a non-profit organization under the laws of the District of Columbia. It is affiliated with the ANA. The Annual Meeting of the SPMC is held in June at the



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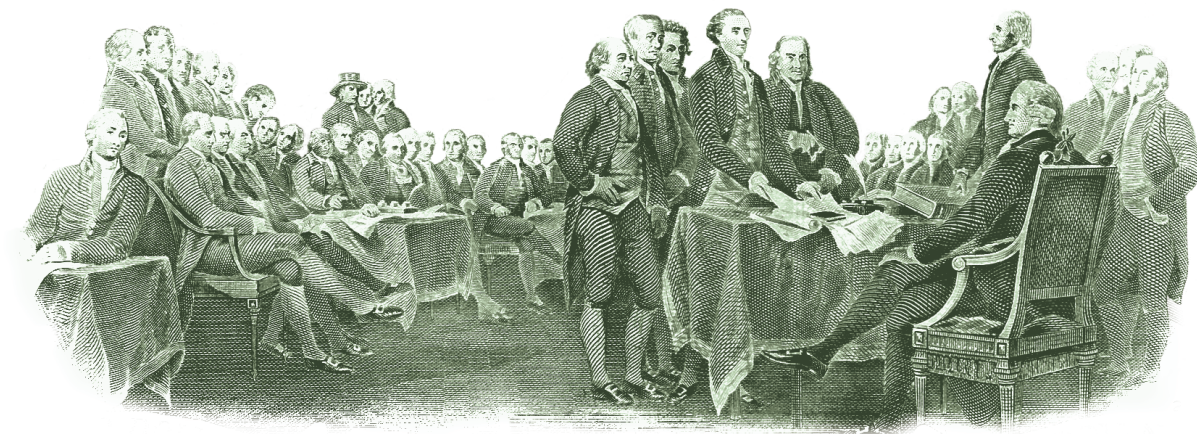
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## The Fabulous High Denomination Feds of 1918

by Lee Lofthus



The conventional wisdom regarding the \$5,000 and \$10,000 Federal Reserve notes of the Series of 1918 is that they were created for bank-to-bank transactions and served no purpose in actual circulation. New research in the records of the Federal Reserve Board at the National Archives shows this was not the case, and the notes, while hardly the fare of routine circulation, served both a banking and commercial purpose until the reemergence of Treasury gold payments and high denomination gold certificates rendered them unneeded.

More than half the unissued \$5,000 and \$10,000 notes were destroyed with the blessing of the Federal Reserve banks in 1924, the first of two mass purges that were beginning of the end for these fabulous notes.

An amendment to the Federal Reserve Act in 1918 expanded the authorized denominations of Federal Reserve notes to include \$500, \$1,000, \$5,000 and \$10,000 notes. The \$500 and \$1,000 notes saw a respectable amount of use in actual circulation.

Exactly 40,000 of the ultra-high denomination \$5,000 and \$10,000 notes were printed. Some were used in commerce in a few Federal Reserve districts whereas other districts ordered only a token number or none at all. Only ten \$5,000 and \$10,000 notes are known today, all in government and Federal Reserve Bank collections. This is the story of the creation, use and demise of these notes.

### **The Federal Reserve Act and First Issues**

The Federal Reserve Act was signed into law on December 23, 1913. It was designed to provide for an elastic currency system that could accommodate the routine seasonal ebb and flow of commerce and hopefully mitigate periodic banking crises such as the Panic of 1907. The soft national bank note circulations and hard Treasury gold and silver certificate issues were inelastic.

The original Federal Reserve Act authorized the printing of \$5, \$10, \$20, \$50 and \$100 denominations. These notes comprised the Series of 1914. See Huntoon, etc. al., Paper Money May/June 2012, No. 279.



**Figure 1: Michael Phelan, U.S. Congressman from Massachusetts, marshaled the 1918 amendments to the Federal Reserve Act that authorized the \$500 through \$10,000 denomination Federal Reserve notes. Library of Congress photograph.**

### **High Denomination Series of 1918 Issues**

U.S. Congressman Michael Phelan from Massachusetts, chair of the powerful Banking and Currency Committee, introduced a bill on April 24, 1918 to revise certain authorities of the Federal Reserve System. Many of the changes were technical, such as how directors of various Federal Reserve member banks were appointed and what trust functions the banks could exercise. Section 3 dealt with Federal Reserve currency and the introduction of high denomination notes:

In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes of the denominations of \$5, \$10, \$20, \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000 as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this act and shall bear the distinctive numbering of the several Federal reserve banks through which they are issued.

Phelan explained the need for amendment to Section 3 of the Act succinctly: “The purpose is to conserve the gold supply, a very important thing to be done. At the present time certain individuals, corporations and banks in particular, like notes of large denominations,



which makes it easier for exchange purposes to pay off balances, and for other purposes.” Phelan added that the only high denomination notes then available were gold certificates, so the corporations had no alternative but to constantly draw on the supply of gold at the Federal Reserve banks.

Phelan concluded by saying “If Federal reserve banks can issue Federal reserve notes of a larger denomination every bank will be as willing to take them as it will the gold certificates, and the gold certificates can be retained by the Federal reserve banks. That is the whole purpose of the section.”

With WWI ongoing in Europe, the Treasury and Federal Reserve banks had long been limiting gold as a form of making foreign settlements, and even inside the United States the Treasury had drastically curtailed the circulation of gold certificates beginning in late 1917. In their stead, the Federal Reserve banks put FRNs into circulation, notes redeemable in gold but which required gold backing of only 40 percent of their face value. Use of FRNs boomed after 1917, but there were no FRN substitutes for the high denomination gold certificates.

The Federal Reserve Board wrote the following in support of the amendment:

It is thought that such an amendment would tend to increase the gold holdings of the Federal Reserve Banks, particularly those in the large financial centers.... All avenues for loss of gold are now under control, except direct withdrawals over the counter, and an analysis of counter transactions at some Federal Reserve Banks discloses the fact that from \$100,000 to \$1,000,000 of gold certificates are paid out every business day mainly because many member banks prefer to keep as part of their vault money notes of large denominations, which can now be furnished only in the form of gold certificates.

Phelan’s bill passed was September 26, 1918, and the Bureau of Engraving and Printing (BEP) prepared plates for the new denominations.

### **Series of 1918 Printings**

The high denomination notes were designated Series of 1918. All twelve districts received \$500 and \$1,000 notes. \$5,000 and \$10,000 notes were printed for ten of the twelve Federal Reserve districts, with Minneapolis and Kansas City abstaining. In fact, no \$5,000 or \$10,000 plates were made for Minneapolis and Kansas City.

The first printings of \$5,000 and \$10,000 notes were for the FRB of New York, with 4,000 notes of each denomination on January 22, 1919. The first Chicago \$5,000s and \$10,000s came along eight days later, with the other issuing districts following between February 12 and May 24, 1919.

BEP records reveal that all the \$10,000 sheets were printed inclusive of fiscal years 1919 and 1922; the \$5,000 sheets inclusive of fiscal years 1919 and 1923. Only 100 \$5,000 sheets, or 400 notes, were printed in fiscal 1923. All totaled, 21,600 \$5,000 notes and 18,400 \$10,000 notes were made.

The \$500 and \$1,000 large size FRNs, which saw far wider circulation, were printed during fiscal years 1919 through 1927.

The New York Fed had the largest quantity of \$5,000 and \$10,000 notes printed, followed by San Francisco. Atlanta, the smallest issuer, got only 400 of each type. The business needs of the various districts dictated how many of the notes actually got used, if they were used at all.

| Fiscal Year | 500   | 1000  | 5000 | 10000 | Total Sheets |
|-------------|-------|-------|------|-------|--------------|
| 1919        | 45000 | 42400 | 4400 | 3400  | 95200        |
| 1920        | 17300 | 15900 | 400  | 600   | 34200        |
| 1921        | 11500 | 16000 | 300  | 100   | 27900        |
| 1922        | 3800  | 2800  | 200  | 500   | 7300         |
| 1923        | 900   | 3800  | 100  |       | 4800         |
| 1924        | 1000  |       |      |       | 1000         |
| 1925        | 1000  | 500   |      |       | 1500         |
| 1926        | 6000  | 2000  |      |       | 8000         |
| 1927        |       |       |      |       | 17000        |

**Figure 2:** Page from the Bureau of Engraving and Printing ledger showing the printings by fiscal year of the Series of 1918 high denomination FRNs. U. S. National Archives, College Park, Maryland.

### Issuing and Redeeming Federal Reserve Notes

The Office of the Comptroller of the Currency added a Federal Reserve Issue and Redemption Division to handle the FRNs and Federal Reserve bank notes after passage of the Federal Reserve Act. The cost of printing, issue and redemption was borne by the Federal Reserve banks on a prorated basis.

FRNs were issued through *Federal Reserve Agents*. The Agents were representatives of the Federal Reserve Board of Governors and were board members, typically the chairman, at the bank at which they served. Each of the twelve Federal Reserve Banks had its own Agent located at the bank. The Agents received FRNs shipped by the Comptroller. Later, the BEP shipped the notes directly to the Agents upon instruction from the Issue Division.

It is important to understand the role of the Agent in actually issuing the FRNs. U.S. currency (legal tenders, gold certificates, and silver certificates) was considered issued when it was sent to the sub-treasuries and to the banks by Treasury. In contrast, the FRNs sent to the Federal Reserve Agents were considered *unissued* until the notes were released by the Agent to the bank.

Each Federal Reserve bank provided collateral to the Agent in an amount equal to the FRNs being requested. The collateral could be gold, gold certificates, Treasury securities, and/or eligible commercial paper. The agents, while representing the banks, also provided assurance to the Treasury that the notes were properly collateralized and issued. Furthermore, the Agent was responsible for the unissued FRNs in his custody.

At the time, a given Federal Reserve bank could not pay out over its counter the FRNs of another Federal Reserve bank or they would be subject to a 10 percent tax. Consequently each FRB had a sorting operation to return fit notes to the other districts and to send unfit notes to the National Bank Redemption Agency in the U.S. Treasurer's office. Once the receipts at the



NBRA were verified, the notes were destroyed, and replacement notes sent as necessary to the Agents at each of the respective Federal Reserve banks.

### **Circulation of \$5,000 and \$10,000 FRNs**

A key numismatic question concerning the ultra-high denomination notes is whether they actually ever saw use outside the Federal Reserve banks and their branches. The common opinion is that they didn't; rather they were used internally for bank-to-bank transactions or as reserve vault cash.

However, a careful review of Treasury and Comptroller reports, plus documents found in the files of the Federal Reserve Board at the National Archives, reveals the ultra-high denominations from New York and especially San Francisco did see a fair amount of actual use in commerce.

The basic facts are these: a combined total of forty thousand \$5,000 and \$10,000 notes were printed for all the banks; however, not all the printed notes were shipped to the Agents, so large numbers of the notes remained in the BEP reserve vault in Washington. Of the notes actually shipped, many never left the vaults of the Agents, and even many of the notes issued to the banks ended up being retired in new condition, having never circulated.

Judging how many ultra-high denomination notes saw use outside of the Federal Reserve banks and branches is tricky. For example, the Comptroller of the Currency reported in 1925 that for all districts over \$40 million in \$5,000 FRNs and nearly \$63 million in \$10,000 notes had been "issued." The Boston FRB reported that at the end of 1922 it had sixty-two \$5,000 notes and thirty-six \$10,000 notes "outstanding." However, close analysis of those two reports show that the "issued" and "outstanding" amounts included both notes on the street and notes held by the Federal Reserve banks in their vaults, so there is no clear indication from these reports that the ultra-high denominations ever left the banks.

For some districts, we have data that shows few notes left the banks. The Agent for Richmond issued more than 100 of each ultra-high denomination to the Richmond Fed in 1919, but the bank returned all but ten or so of the notes to the Agent the same year. By 1925, two of each denomination had seen enough circulation they were sent to the Comptroller for destruction, but those are tiny numbers.

The FRB of Chicago had 1,200 \$10,000 notes printed, but none ever left the BEP vault in Washington. In contrast, Chicago's Agent received 800 \$5,000 notes, and issued all of them to the bank by 1920. But only two dozen or so \$5,000 notes appear to have left the bank and spent time in circulation before being sent for destruction as unfit. The rest of the Chicago \$5,000s never left the bank and were returned to the Agent in 1922 and 1923.

Cleveland's high water mark saw about eighty \$5,000s and sixty \$10,000s outstanding at the end of 1920, but it is doubtful more than a handful ever left the bank based on actual redemption numbers.



**Figure 3: Few Cleveland ultra-high denominations appear to have actually circulated. The D1A \$5,000 note was saved and resides in the National Numismatic Collection at the Smithsonian in Washington. Smithsonian Institution collection.**

Fortunately, we do have evidence that the notes from other districts made it into actual circulation.

The 1919 Annual Report of the Federal Reserve of New York advised “During this year for the first time a supply of the larger denominations of Federal Reserve notes, permitted by the amendment of September 26, 1918, have been available. . . .” \$2 million dollars of their \$5,000s and \$6 million in \$10,000s were in *actual circulation* as of December 31, 1919 [emphasis added].

Many New York \$10,000 FRNs made their way across the country in commerce as demonstrated by the numbers redeemed at other Federal Reserve banks. The FRB of Atlanta redeemed four New York \$10,000 bills in 1919, twenty-three in 1920, fifty-one in 1921, and a dozen in 1922.

### Ultra-High Denominations in California

\$5,000 and \$10,000 notes from the Federal Reserve bank of San Francisco definitely saw real use. The 1919 Annual Report for the bank stated: “Prior to 1919 there were no Federal reserve notes in larger denominations than \$100, but this year notes in denominations of \$500, \$1000, \$5000, and \$10000 have been issued.” At the end of 1919 the bank had over \$1.8 million in \$5,000s and \$3 million in \$10,000 notes in circulation. During 1920, the bank issued \$7.9 million in \$5,000 notes and over \$10.3 million in \$10,000 notes, in addition to the notes issued in 1919.

San Francisco’s final shipments of ultra-high denominations from Washington came in 1922, with four hundred \$5,000s shipped January 6, 1922 and four hundred \$10,000 notes shipped May 15, 1922. The last shipment of \$5,000s in January meant San Francisco just missed another rarity.

In June 1922, the BEP prepared a second \$5,000 San Francisco plate with White-Mellon rather than Burke-Glass Treasury signatures. Notes from the new plate were printed on June 27-28, 1922, the only White-Mellon notes of the entire \$5,000 and \$10,000 series. Alas, none reached the bank. Burke-Glass serials L1A to L2400A were issued to the bank and put in circulation by December 1921. The January 6, 1922, shipment of four hundred notes would have

been Burke-Glass serials L2401A to L2800A, and records show those notes were held by the Agent and never issued. The last eight hundred \$5,000 notes, serials L2801A to L3600A, which included the White-Mellon printings, never left the BEP.



**Figure 4:** All the Series of 1918 \$5,000 and \$10,000 FRN plates bear Treasury signatures of Burke-Glass, with the single exception of a second \$5,000 plate made for San Francisco with White-Mellon signatures that was completed on June 24, 1922 and used to print notes June 27-28, 1922. None of the White-Mellon notes reached the bank. The proof impressions are from the Smithsonian Institution Collection.

Documents in the Federal Reserve Board records at the U.S. National Archives explain the demand for the ultra-high denominations. A September 25, 1925 report prepared by Mr. S. G. Sargent, Assistant Federal Reserve Agent for San Francisco, for John Perrin, Chairman and Agent of the San Francisco FRB, described the “very heavy demand” for the \$5,000 and \$10,000 San Francisco notes in the “early years” of 1919 through 1922. Sargent said the principal demand “prior to 1923 came from our Los Angeles Branch, the City and County Treasurers down there applying a literal interpretation of the law requiring cash in the payment of certain taxes. The law, however, had since been amended, and there has been no shipment of notes in these denominations to Los Angeles since December 15, 1922.”

Sargent’s report went on to say “We have been advised by the officer in charge of the Cash Department of this bank that the only call for large notes now comes from the San Francisco banks. He is not quite sure as to the use of these notes, but is of the opinion that a great many are still being used for tax-paying purposes.” Corporations needed small denomination notes for paying employees each payday, but understandably wanted large denomination notes for the ease of settling their tax bills or settling large contracts.

### **Rapid Redemption was the Norm**

Despite issuing over \$18 million of those denominations in 1920 alone, the San Francisco FRB just as quickly redeemed nearly \$6 million in \$5,000 notes and almost \$10 million in \$10,000 notes the same year. This illustrates the character of how they were used. They were typically obtained by member banks and corporations to fulfill some large cash settlement need



and then quickly redeposited by the recipients. Upon deposit, the FRBs would generally take the notes out of circulation by returning them to their Agent. The Agent would keep the fit notes of his bank in his stock of unissued currency, and return unfit notes to the National Bank Redemption Agency for destruction and credit.

This same pattern was repeated in the other districts that used ultra-high denomination notes. The circulation of the notes was characterized by movement between the FRB Agents and the banks, with fit notes being redeemed and re-issued by the Agents over and over again.

### **Fantastic St. Louis \$10,000 Tale**

The Federal Reserve Bank of New York issued periodic circulars to its member banks regarding significant monetary policies and operational issues. The Cash Department of the New York Fed issued Circular No. 348 on March 5, 1921 regarding certain \$10,000 Federal Reserve Notes being used to pay for \$200,000 worth of stolen Liberty Bonds. The Circular advised banks that:

We have been informed that twenty \$10,000 Federal Reserve notes were given in Memphis, Tennessee, in payment for Liberty Bonds which are reported to have been stolen. The Federal Reserve Bank of St. Louis, the bank issuing the notes, is endeavoring to learn their whereabouts in an effort to trace the circumstances of the alleged theft of the bonds. No doubt these notes if offered to a bank will be susceptible of identification because of their large denomination. Should they be detected, we would be glad to be informed by wire so that we may notify the Federal Reserve Bank of St. Louis accordingly. The twenty \$10,000 Federal Reserve notes bear the distinctive letter H and serial numbers 8H1A to 8H20A.



**Figure 5: The Federal Reserve Bank of St. Louis sent its serial numbers H1A to H20A \$10,000 FRNs to a member bank in Memphis, Tennessee, where the notes were used to unwittingly purchase \$200,000 worth of stolen Liberty Bonds. Federal Reserve bank photograph.**

The story was fleshed out in The New York Times. In the fall of 1920, a messenger firm transporting \$466,000 in bonds for the banking firm of Kean, Taylor & Co., was robbed in Brooklyn. The thieves went south to unload their ill-gotten gains, and in early February 1921 the bonds began to surface in the Memphis area. The local police managed to trace some of the bonds to individuals in Clarksville, Mississippi, and soon learned that many of the bonds were being offered for sale through banks and brokers in Memphis.

Meanwhile, a bank in Memphis was planning a large bond purchase, and to facilitate the payment it requested \$10,000 bills from the St. Louis FRB. How many notes the bank requested is unclear, but we know they received and used at least the first twenty St. Louis \$10,000 FRNs in serial order for their bond purchase. Unfortunately for the bank, the bonds turned out to be from the robbery.

The Times reported that an attempt was made to redeem \$90,000 in other bonds from the stolen group at the New York Fed, but officials there thwarted the sale. One \$10,000 bill surfaced when a woman offered it for exchange at a bank in Philadelphia, where authorities determined it was received from a person identified as a “go between” for the robbers, who were now in Memphis.

OCC records show that twenty-four fit St. Louis \$10,000 notes were redeemed in 1922, along with another four that were unfit. It may be that the first twenty St. Louis notes found their way back to the bank in 1922.

Beyond the remarkable bond story, only a small number of other St. Louis ultra-high denominations FRNs actually circulated. Judging from redemption and destruction reports, only about fifteen \$5,000s and forty-six \$10,000s (including the first twenty serials) saw real circulation.

### **Treasury Resumes Gold Payments**

Treasury curtailed the payment of gold coins and gold certificates in order to preserve U.S. gold stocks during WWI. Gold was paid out on demand as required by law, but gold and gold certificates were not put into circulation in the ordinary course. FRNs, including the ultra-high denomination notes, filled the void. However, as U.S. industrial and food exports grew exponentially to supply the allies, our exports, paid for in gold, resulted in enormous sums of gold coming into the U.S. and the Federal Reserve banks.

The 1922 Annual Report of the Secretary of the Treasury reported that in 1914, prior to the outbreak of the war, the U.S. held approximately 23 percent of the world’s gold supply. By 1922, it held an astonishing 45 to 50 percent of the world’s supply.

The end of the war and the continued surge in gold held by the Treasury and the Federal Reserve banks meant Treasury could resume the unconstrained, or “free,” circulation of gold and gold certificates. Accordingly, on March 18, 1922, Treasury issued the following statement:

The Secretary of the Treasury announces that the Treasury has now resumed payments of gold certificates in ordinary course of business without demand, and that the Federal reserve banks throughout the country will be guided by a similar policy in making current payments for Government account. This action removes the last artificial restriction upon gold payments in this country, though gold has at all times during and since the war been freely paid out by the Treasury and the Federal reserve banks whenever demanded in payment of gold obligations.

Treasury returned to the traditional policy of paying out gold certificates freely with other forms of currency. The BEP resumed the printing of gold certificates to meet the demand, and gold certificates quickly entered circulation in record numbers. The supply of FRNs contracted as the gold certificates reentered general circulation. Important for the FRN ultra-high

denomination story is that the unconstrained, preferential use of high denomination gold certificates offset the need for \$5,000 and \$10,000 FRNs.

### **Purge of 1924**

On January 30, 1924, William S. Broughton, Commissioner of the Public Debt, sent an informal note to Walter Eddy, Secretary of the Federal Reserve Board of Governors, asking him to review a handwritten report pertaining to the supply of \$5,000 and \$10,000 FRNs held in the BEP reserve vault. The BEP report revealed that the stock of unissued new \$5,000 and \$10,000 FRN were all but dormant, with no shipments at all since 1919 except to San Francisco. Broughton's note to Eddy said "your comment or suggestion would be appreciated."



**Figure 6: William S. Broughton, Commissioner of the Public Debt, corresponded with the Board of Governors in January 1924 about the dormant stock of \$5,000 and \$10,000 FRNs in BEP custody. This set in motion the 1924 purge of all the \$10,000 and \$40 million worth of \$5,000 FRNs in the BEP vault. Treasury Department photograph.**

Eddy replied on February 4<sup>th</sup>. "I think we might well give consideration to the matter of cancelling and destroying some of the \$5,000 and \$10,000 Federal reserve notes as there are only a few transactions in these denominations, and I understand that most of the Federal reserve banks either have, or can readily obtain from the Treasury, \$5,000 and \$10,000 gold certificates.... I assume you will take this matter up with the Board officially."

Things moved quickly. Broughton's superior, Garrard S. Winston, Under Secretary of the Treasury, officially transmitted the BEP report to D. R. Crissinger, Governor of the Federal Reserve Board on February 5<sup>th</sup>. Winston wrote that "The stocks for the most part are inactive, and apparently the occasion for the printing of certain denominations lapsed with the resumption of free gold payments. If in the judgment of the Board any of the stock of such notes on hand should be destroyed, it is requested that you initiate the necessary procedure with the Comptroller of the Currency."

Crissinger instructed Eddy to send Winston's report to the entire Federal Reserve Board and the Board's Currency Committee, along with suggestions for reducing stocks for each District. Eddy's memorandum recommended that roughly two-thirds of the stored \$5,000 notes be destroyed, and "Cancel and destroy the entire stock" of \$10,000s.



The Currency Committee replied to Eddy on February 13<sup>th</sup>, passing along its approval of the reductions in stock, further asking that Eddy take the necessary steps with the Comptroller's office to initiate the destruction. On February 18<sup>th</sup>, Eddy notified Treasury that the Board had agreed to destruction of the bulk of the reserve stock, and the same day notified the Comptroller of the Currency Henry M. Dawes that, given the ability of Treasury to furnish high denomination gold certificates should a demand develop, the Federal Reserve stock should be destroyed as follows:

The Board requests therefore you take the necessary steps to have cancelled and destroyed all Federal reserve notes of the \$10,000 denomination now held in the vaults of the Bureau of Engraving and Printing, and that you also order the destruction and cancellation of [\$5,000 notes as follows]:

|               |            |             |
|---------------|------------|-------------|
| Boston        | 3 packages | \$6,000,000 |
| New York      | 5          | 10,000,000  |
| Philadelphia  | 3          | 6,000,000   |
| Richmond      | 2          | 4,000,000   |
| Chicago       | 3          | 6,000,000   |
| St. Louis     | 1          | 2,000,000   |
| Dallas        | 2          | 4,000,000   |
| San Francisco | 1          | 2,000,000   |

It is also requested that you advise the Board when the notes have been cancelled and destroyed in order that it may advise the several Federal Reserve Agents thereof.

Each of the FRBs replied to Eddy between February 19<sup>th</sup> and 27<sup>th</sup> approving the destruction. Agent John A. McCord of Atlanta took pains to note that "we have never had occasion to have any notes of either denomination shipped to us and we do not anticipated any need for them at any time." Agent Lynn P. Talley from Dallas advised "We note the reasons which prompted this action on the Board's part, and, and view of our never having used any of these notes of the larger denomination, feel sure we will never be inconvenienced by the reduction of the stock in Washington." Agent J. B. Anderson of Cleveland replied "The stock of \$5,000 and \$10,000 notes now carried here appears to be sufficient to provide for any probably demand."

None of the Federal Reserve banks objected to the proposed destruction totals. The BEP delivered the doomed notes to the Comptroller on February 28<sup>th</sup>, and on March 3, 1924, the Board notified its Agents their notes had been destroyed.

RECEIPT OF ASSISTANT TREASURER U. S. FOR FEDERAL RESERVE NOTES.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
DIVISION OF LEADS AND CURRENCY,  
Form DET-11, -55, 1-20-1917-July 2-17.

UNITED STATES SUBTREASURY,  
February 28, 1924.

RECEIVED this day from the Director of the Bureau of Engraving and Printing Federal Reserve Notes as follows:

NOTES FOR FEDERAL RESERVE BANK OF Dallas, Texas.

| PACKAGE NOS. |    | DENOMINATION | SERIAL NOS. OF NOTES |       | AMOUNT        |
|--------------|----|--------------|----------------------|-------|---------------|
| From         | To |              | From                 | To    |               |
|              |    | \$5          |                      |       | \$            |
|              |    | \$10         |                      |       |               |
|              |    | \$20         |                      |       |               |
| 1            | 2  | \$50 00      | 1                    | 800   | 4,000,000     |
| 1            | 3  | \$100 00     | 1                    | 1,200 | 12,000,000    |
| TOTAL        |    |              |                      |       | \$ 16,000,000 |

*R. G. Caplan*  
Assistant Treasurer U. S.  
Chief, Federal Reserve Issue Division.

**Figure 7: Treasury Department receipt showing the Dallas FRB \$5,000 and \$10,000 notes delivered from the BEP to the Comptroller's office for destruction. All the Dallas \$10,000 notes and two-thirds of the \$5,000 notes were destroyed in this single delivery.**

The mass purge at Treasury did not end the existence of the ultra-high denominations. The BEP retained a modest stock of \$5,000 notes and the Agents in Boston, New York, Cleveland, Richmond, Chicago, St. Louis, and San Francisco retained significant stocks of unissued notes (both fit and new) of one or both denominations. Additionally, 1,310 \$5,000s and 1,764 \$10,000s remained in circulation or were held by the FRBs and/or member banks. But, as Broughton's original note made clear, the demand for ultra-high denomination FRNs had all but vanished by 1924.

### **1925 San Francisco Destruction**

S. G. Sargent, Assistant Agent at San Francisco, wrote to his superior, Agent John Perrin on September 18, 1925, indicating that their "stock of unissued Federal Reserve notes in denominations of \$5,000 and \$10,000 appears to be very much in excess of anticipated needs and, in my opinion, should be considerably reduced so as to relieve us of an unnecessary responsibility and care." The memorandum stated that the San Francisco FRB stock consisted of \$12.8 million in \$5,000 notes and \$18 million in \$10,000 notes. Sargent further indicated that:

It will be noted that \$10,800,000 of the 5,000 and \$14,000,000 of the 10,000's are "fit" notes, thus increasing the risks and responsibilities as they are in broken packages, and necessitating handling and counting whenever an audit or examination is made.

Sargent's report showed a robust circulation of the San Francisco \$5,000 and \$10,000 notes prior to 1923. As noted earlier, that usage was mainly due to the use of the ultra-high denominations by corporations to pay various California or local taxes. But in 1924 only seven \$10,000 bills were issued to the bank, and no \$5,000s, and through September of 1925, no new issues of either denomination had occurred. The report went on to say that "Judging from our experience of the last two years, it does not appear that we will ever use notes of these denominations in an amount exceeding \$6,000,000 or \$7,000,000 in any one year. The purposes for which they are used cause very little deterioration, and it will be many years before they become unfit for circulation." The report recommended that \$5 million in \$5,000s and \$8 million in \$10,000s be destroyed.

Perrin submitted Sargent's proposal to the Federal Reserve Board in Washington on September 24<sup>th</sup>. The Board replied a month later on October 24<sup>th</sup>, indicating the Board's approval of the destruction of the excess notes. The Board's letter, from Walter Eddy, stated "It is understood that these notes will be issued to the bank and the bank will then cut them as unfit for circulation and ship them to Washington for redemption under regular procedure." The San Francisco FRB redeemed the notes in three batches in early November 1925.



**Figure 8: The Federal Reserve Board of Governors in 1914. John Perrin, Chairman and Agent for the Federal Reserve Bank of San Francisco, is in the back row at right. Perrin, still serving eleven years later, obtained approval from the Board in September 1925 to send for destruction over \$13 million in unneeded \$5,000 and \$10,000 San Francisco FRNs. Library of Congress photograph.**

### \$500 and \$1,000 Federal Reserve Notes

The \$500 and \$1,000 FRNs saw a fair amount of actual circulation despite their high purchasing power. Roughly seventy thousand \$500 and a hundred thousand \$1,000 notes were outstanding in any given year from 1919 to the end of the large size era. FRB reports throughout the 1920's note that significant numbers of \$500 and \$1,000 notes redeemed from circulation and returned to the Federal Reserve bank of issue, clear evidence of active circulation.

The FRB of New York was a particularly prolific issuer, with \$12,816,000 in \$500 bills and \$35,681,000 in \$1,000 bills in actual circulation at the end of 1919. The FRB of Atlanta, while it never touched its \$5,000 or \$10,000 supply, had a surprisingly strong issue of \$500 and \$1,000 FRNs. The Chicago and San Francisco FRBs also had sizeable circulations of \$500 and \$1,000 notes.



**Figure 9: \$1,000 FRNs saw extensive use in actual circulation. Survivors in numismatic hands are highly revered. Smithsonian Institution collection.**

Early on the \$500 and \$1,000 bills served as necessary replacements for high denomination gold certificates that were being pulled from circulation by the Treasury to protect gold reserves. However, the outstanding dollar amount of the \$500s and \$1,000s did not diminish substantially when gold notes returned to wide use. The FRNs appear to have filled some niche for conveniently paying large cash purchases, repaying loans, and the like. We know of at least one avid user of large denomination bills during the 1920's – millionaire Laverne Redfield of Reno, Nevada. Redfield, of the "Redfield Hoard" of silver dollars fame, was known to carry thousands of dollars at a time in thousand dollar bills during the 1920's.

Just shy of 175 \$500s and 170 \$1,000s are recorded in the Gengerke Census (Martin Gengerke, 2014). The notes are avidly collected by those with financial means. While a few higher grade examples are known, most are in middle circulated grades of Fine and Very Fine attesting to active use during their heyday.



**Figure 10: Federal Reserve Bank of Chicago serial number G1A \$500 note from the Smithsonian Institution Collection.**



### Final Series of Large Size FRN Reserve Stock Destruction

Treasury's main concern during 1928-9 was the massive transition from the large to small size notes. The BEP worked virtually around the clock to ensure there would be sufficient small size notes to replace the large size being pulled from circulation. Dealing with old currency stocks simply wasn't a priority, so the BEP's reserve vault with the obsolete Series of 1914 and Series of 1918 FRNs sat untouched until 1930.

On January 21, 1930, Public Debt's Broughton informed the Federal Reserve Board that the Treasury Assistant Secretary had authorized the destruction of the old large size FRNs up to the denomination of \$100 held in the custody of the Treasury Department, and had designated a special committee for that purpose. The destruction began in early February and was substantially finished by February 10<sup>th</sup>.

On February 10<sup>th</sup>, Governor Roy A. Young of the Federal Reserve Board telegraphed the districts and notified them of the progress destroying the old notes. He further stated that "While machinery is set up there would seem to be no reason why surplus stocks of old size \$500, \$1,000, and \$5,000 notes should not also be destroyed. If you agree, please wire authority to proceed with other denominations along lines set out in Trans. 1143 dated January 18. Young."

The FRBs promptly approved the additional destruction work, and E. M. McClelland, Assistant Secretary of the Federal Reserve Board, wrote Frank Awalt, Deputy Comptroller of the Currency on February 12, 1930, requesting that \$40 million in remaining large size \$500 bills, \$56.4 million in large \$1,000s, and \$32 million in remaining large \$5,000s be destroyed.

SCHEDULE OF UNISSUED FEDERAL RESERVE NOTES DELIVERED FOR DESTRUCTION

Schedule No. 21

BUREAU OF ENGRAVING AND PRINTING  
Federal Reserve Vault

To: Special Destruction Committee.  
The following described unissued Federal Reserve Notes are herewith delivered for destruction in accordance with the authority of the Assistant Secretary of the Treasury dated January 20, 1930.

Date: February 12, 1930  
LFJ

| BANK           | SERIES | DENOM. | NO. OF PGS. | NO. OF SHEETS | No. OF SUBJECTS | NUMBERED     |                   | VALUE |                      |
|----------------|--------|--------|-------------|---------------|-----------------|--------------|-------------------|-------|----------------------|
|                |        |        |             |               |                 | FROM         | TO                |       |                      |
| BOSTON         | 1918   | \$5000 | 2           | 200           | 4               | 800          | 2,001             | 2,800 | \$ 8,000,000         |
| NEW YORK       | 1918   | \$5000 | 4           | 400           | 4               | 1,600        | 3,601             | 5,200 | 8,000,000            |
| PHILADELPHIA   | 1918   | \$5000 | 2           | 200           | 4               | 800          | 1,201             | 2,000 | 4,000,000            |
| CLEVELAND      | 1918   | \$5000 | 1           | 100           | 4               | 400          | 401               | 800   | 2,000,000            |
| RICHMOND       | 1918   | \$5000 | 1           | 100           | 4               | 400          | 1,201             | 1,600 | 2,000,000            |
| ATLANTA        | 1918   | \$5000 | 1           | 100           | 4               | 400          | 001               | 400   | 2,000,000            |
| CHICAGO        | 1918   | \$5000 | 2           | 200           | 4               | 800          | 2,001             | 2,800 | 4,000,000            |
| ST. LOUIS      | 1918   | \$5000 | 1           | 100           | 4               | 400          | 801               | 1,200 | 2,000,000            |
| DALLAS         | 1918   | \$5000 | 1           | 100           | 4               | 400          | 801               | 1,200 | 2,000,000            |
| SAN FRANCISCO  | 1918   | \$5000 | 1           | 100           | 4               | 400          | 3,201             | 3,600 | 2,000,000            |
| <b>TOTAL--</b> |        |        | <b>16</b>   | <b>1,600</b>  |                 | <b>6,400</b> | <b>TOTAL-----</b> |       | <b>\$ 32,000,000</b> |

CERTIFICATE OF SPECIAL DESTRUCTION COMMITTEE

Date: Feb. 12, 1930

We hereby certify that the unissued Federal Reserve Notes described in the foregoing schedule were received by us, verified by packages with the schedule, and were totally destroyed ~~by~~ by burning in our presence in accordance with the authority of the Assistant Secretary of the Treasury dated January 20, 1930.

*[Signatures]*

5

This copy for the Federal Reserve Board.

**Figure 11: This Certificate of the Special Destruction Committee shows the \$5,000 large size FRNs by district that were destroyed in February 1930.**

The Agents at the Federal Reserve banks were still holding large size FRNs too. The February 1930 destruction of the remaining stocks in Washington was the signal to them that they could get rid of their large size notes as well. Accordingly, on March 14, 1930, Charles Getteny, the Assistant Federal Reserve Agent for the FRB of Boston wrote to the Federal Reserve Board and noted that he still held over \$13 million worth of unissued large size Boston FRNs in the denominations of \$50 through \$10,000, including \$3 million dollars in \$5,000s and \$6 million in \$10,000s. Getteny also reported another seven large size \$10,000 bills and twenty \$5,000 bills on hand, presumably fit notes held by the bank.

All told, Boston had \$14.25 million in large size notes on hand, and sought approval for their destruction. The Agent, however, did not want to formally issue the notes and then redeem them in order to send them to the Comptroller for destruction as was done at the San Francisco FRB in 1925. He pointed out that the issuance of \$14 million in notes would falsely inflate the bank's outstanding circulation liability, and the bank felt that would be misinterpreted by the financial markets. Getteny therefore asked the Federal Reserve Board in Washington if he could simply cancel and return the currency as unissued.

Getteny's proposal, while seemingly practical, did not comport with the strict accounting procedures used for currency destruction. Accordingly, the Board's assistant secretary McClellan replied to Getteny on March 15, informing him that Agents had no authority to cancel unissued notes. McClellan suggested that:

Other Federal reserve agents, accordingly, have been turning their stocks of old size notes over to their respective banks, from time to time, for shipment to Washington. This, of course, does result in some bulge in the bank's circulation figures, but I do not see how that can be avoided, although the effects can be limited by gradual handling.

### **\$5,000 and \$10,000 Survival**

National Bank Redemption Agency reports reveal that from 1925 to 1928 roughly thirty to fifty worn notes of each of the \$5,000 and \$10,000 denominations were redeemed each year for destruction. These small numbers provide tangible evidence there were limited ultra-high denomination FRNs in circulation after the big purge of 1924.

At the end of October 1933, Treasury reported that only thirty large size \$5,000 FRNs and thirty-six large size \$10,000 FRNs were outstanding. By 1941, on the eve of WWII, those numbers had dwindled to twelve and nine, respectively. Given that the Federal Reserve banks had long since sent their notes in for destruction, the trickle of notes between 1933 and 1941 represented overseas holdings and holdings of member banks and individuals.

**Table 1 and 2** list the numbers of \$5,000 and \$10,000 notes printed. The tables reveal the number of new notes that the BEP held and sent for mass destruction before they were ever shipped. Only five notes of each denomination are currently known. See **Table 3** for the locations of the known notes.

| <b>TABLE 1:</b>        |                | <b>SERIES 1918 \$5,000 NOTES - NUMBER OF NOTES BY DISTRICT</b> |                          |                            |                   |              |
|------------------------|----------------|----------------------------------------------------------------|--------------------------|----------------------------|-------------------|--------------|
|                        |                | <b>Unissued Notes</b>                                          |                          | <b>Issued Notes</b>        |                   |              |
|                        | <b>Notes</b>   | <b>in BEP vault</b>                                            | <b>in BEP vault</b>      | <b>Redeemed and</b>        | <b>Remaining</b>  |              |
| <b>District</b>        | <b>Printed</b> | <b>destroyed in 1924</b>                                       | <b>destroyed in 1930</b> | <b>Destroyed 1920-41**</b> | <b>As of 1941</b> | <b>Known</b> |
| A Boston               | 2800           | 1200                                                           | 800                      | 799                        | 1                 | 0            |
| B New York             | 5200           | 2000                                                           | 1600                     | 1597                       | 3                 | 2            |
| C Philadelphia         | 2000           | 1200                                                           | 800                      | destroyed w/o issue        |                   |              |
| D Cleveland            | 800            | 0                                                              | 400                      | 396                        | 4                 | 1            |
| E Richmond             | 1600           | 800                                                            | 400                      | 400                        | 0                 | 0            |
| F Atlanta              | 400            | 0                                                              | 400                      | destroyed w/o issue        |                   |              |
| G Chicago              | 2800           | 1200                                                           | 800                      | 798                        | 2                 | 1            |
| H St. Louis            | 1200           | 400                                                            | 400                      | 400                        | 0                 | 0            |
| I Minneapolis          | none           | n/a                                                            | n/a                      | n/a                        | n/a               | n/a          |
| J Kansas City          | none           | n/a                                                            | n/a                      | n/a                        | n/a               | n/a          |
| K Dallas               | 1200           | 800                                                            | 400                      | destroyed w/o issue        |                   |              |
| <u>L San Francisco</u> | <u>3600</u>    | <u>400</u>                                                     | <u>400</u>               | <u>2798</u>                | <u>2</u>          | <u>1</u>     |
| Total                  | 21600          | 8000                                                           | 6400                     | 7188                       | 12                | 5            |

\*\* includes 1,000 unissued San Francisco \$5,000 fit notes held by SF Agent sent in for destruction November 1925

| <b>TABLE 2: SERIES 1918 \$10,000 NOTES - NUMBER OF NOTES BY DISTRICT</b>                                                                                                                                                                                                                                 |                |                          |                          |                     |              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|--------------------------|---------------------|--------------|
|                                                                                                                                                                                                                                                                                                          |                | Unissued Notes           | Issued Notes             |                     |              |
|                                                                                                                                                                                                                                                                                                          | Notes          | in BEP vault             | Redeemed and             | Remaining           |              |
| <b>District</b>                                                                                                                                                                                                                                                                                          | <b>Printed</b> | <b>destroyed in 1924</b> | <b>Destroyed 1920-41</b> | <b>As of 1941**</b> | <b>Known</b> |
| A Boston                                                                                                                                                                                                                                                                                                 | 2000           | 1200                     | 801                      | -1                  | 0            |
| B New York                                                                                                                                                                                                                                                                                               | 5600           | 4000                     | 1597                     | 3                   | 2            |
| C Philadelphia                                                                                                                                                                                                                                                                                           | 2400           | 2400                     | destroyed w/o issue      |                     |              |
| D Cleveland                                                                                                                                                                                                                                                                                              | 800            | 400                      | 397                      | 3                   | 1            |
| E Richmond                                                                                                                                                                                                                                                                                               | 800            | 400                      | 400                      | 0                   | 0            |
| F Atlanta                                                                                                                                                                                                                                                                                                | 400            | 400                      | destroyed w/o issue      |                     |              |
| G Chicago                                                                                                                                                                                                                                                                                                | 1200           | 1200                     | destroyed w/o issue      |                     |              |
| H St. Louis                                                                                                                                                                                                                                                                                              | 1200           | 800                      | 400                      | 0                   | 0            |
| I Minneapolis                                                                                                                                                                                                                                                                                            | none           | n/a                      | n/a                      | n/a                 | n/a          |
| J Kansas City                                                                                                                                                                                                                                                                                            | none           | n/a                      | n/a                      | n/a                 | n/a          |
| K Dallas                                                                                                                                                                                                                                                                                                 | 1200           | 1200                     | destroyed w/o issue      |                     |              |
| <u>L San Francisco</u>                                                                                                                                                                                                                                                                                   | <u>2800</u>    | <u>800</u>               | <u>1996</u>              | <u>4</u>            | <u>2</u>     |
| Total                                                                                                                                                                                                                                                                                                    | 18400          | 12800                    | 5591                     | 9                   | 5            |
| ** Comptroller of the Currency records show one more note redeemed than issued for Boston; the note was sent for redemption by Boston but was a note of another District. Nine is the Treasury count of surviving notes, therefore the count for one of the other remaining districts is over by 1 note. |                |                          |                          |                     |              |

| <b>TABLE 3: KNOWN SERIES OF 1918 \$5,000 AND \$10,000 FEDERAL RESERVE NOTES</b> |                        |               |                                       |                  |
|---------------------------------------------------------------------------------|------------------------|---------------|---------------------------------------|------------------|
| <b>Denom.</b>                                                                   | <b>Issuing FR Bank</b> | <b>Serial</b> | <b>Held By</b>                        | <b>Condition</b> |
| \$5,000                                                                         | New York               | B1A           | Smithsonian Institution Washington DC | Unc              |
| \$5,000                                                                         | New York               | B2A           | Federal Reserve Bank of Chicago       | Good, damage     |
| \$5,000                                                                         | Cleveland              | D1A           | Smithsonian Institution Washington DC | Unc              |
| \$5,000                                                                         | Chicago                | G1A           | Federal Reserve Bank of San Francisco | Unc              |
| \$5,000                                                                         | San Francisco          | L1057A        | Federal Reserve Bank of San Francisco | AU               |
| \$10,000                                                                        | New York               | B1A           | Smithsonian Institution Washington DC | Unc              |
| \$10,000                                                                        | New York               | B420A         | Federal Reserve Bank of Chicago       | VF               |
| \$10,000                                                                        | Cleveland              | D1A           | Smithsonian Institution Washington DC | Unc              |
| \$10,000                                                                        | San Francisco          | L204A         | Federal Reserve Bank of San Francisco | Fine, damage     |
| \$10,000                                                                        | San Francisco          | L1957A        | Federal Reserve Bank of San Francisco | AU               |
| Source: Martin Gengerke Census 2014                                             |                        |               |                                       |                  |

### Conclusion

It is no surprise that only a few large size \$5,000 and \$10,000 FRNs have survived. Their substantial face value meant few individuals could whimsically stash one away as a keepsake no matter how neat they were. It makes sense that the ten survivors are held by Federal Reserve banks and the Smithsonian. These great notes should not be viewed as short-lived relics doomed by their own uselessness – instead they are fabulous survivors whose staggering purchasing power fulfilled a limited but fascinating niche in the post WWI economy until the U.S. Treasury resumed the widespread use of gold and gold certificates.



## Acknowledgments

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## The Paper Column

# Identification of Make-Up Replacement Type Notes

by Peter Huntoon & R. Shawn Hewitt

### Overview and Time Line

Two kinds of notes were used to replace misprinted currency at the Bureau of Engraving and Printing. The most familiar to collectors are star notes. Star notes utilize either a star-prefix or star-suffix in the serial number on otherwise lookalike notes that were substituted for misprints during the final inspection. Star notes were numbered independently of the notes that they replaced.

Less familiar, but the focus of this article, were make-up replacement notes. These were notes prepared in sheet form that replaced defective sheets caught in the final inspection at the BEP. The replacement sheets were numbered using the exact same serial numbers as found on the defective sheets.

We only can identify large size make-up replacement notes made after mid-1903. In order to understand why, it is important to lay out a time line listing pivotal events that shape this story.

This article deals with large size type notes. By type notes we mean all classes of currency other than national bank notes.

Between 1885 and 1910, the Bureau of Engraving and Printing carried out all steps in the manufacture of type notes except printing the seals and separating the notes from the sheets (BEP, 1962). Those two operations were carried out at the U. S. Treasurer's office. The justification being that by applying the seals, the Treasurer was validating the notes as money - a responsibility that resided in his office.



**Figure 1. Women numbering 4-subject sheets of Series of 1886 \$5 silver certificates on paging machines in a huge room filled with such machines at the Bureau of Engraving and Printing. The seals will be added at the office the Treasurer on flatbed topographic presses. Photo courtesy of the Bureau of Engraving and Printing Historical Resource Center.**

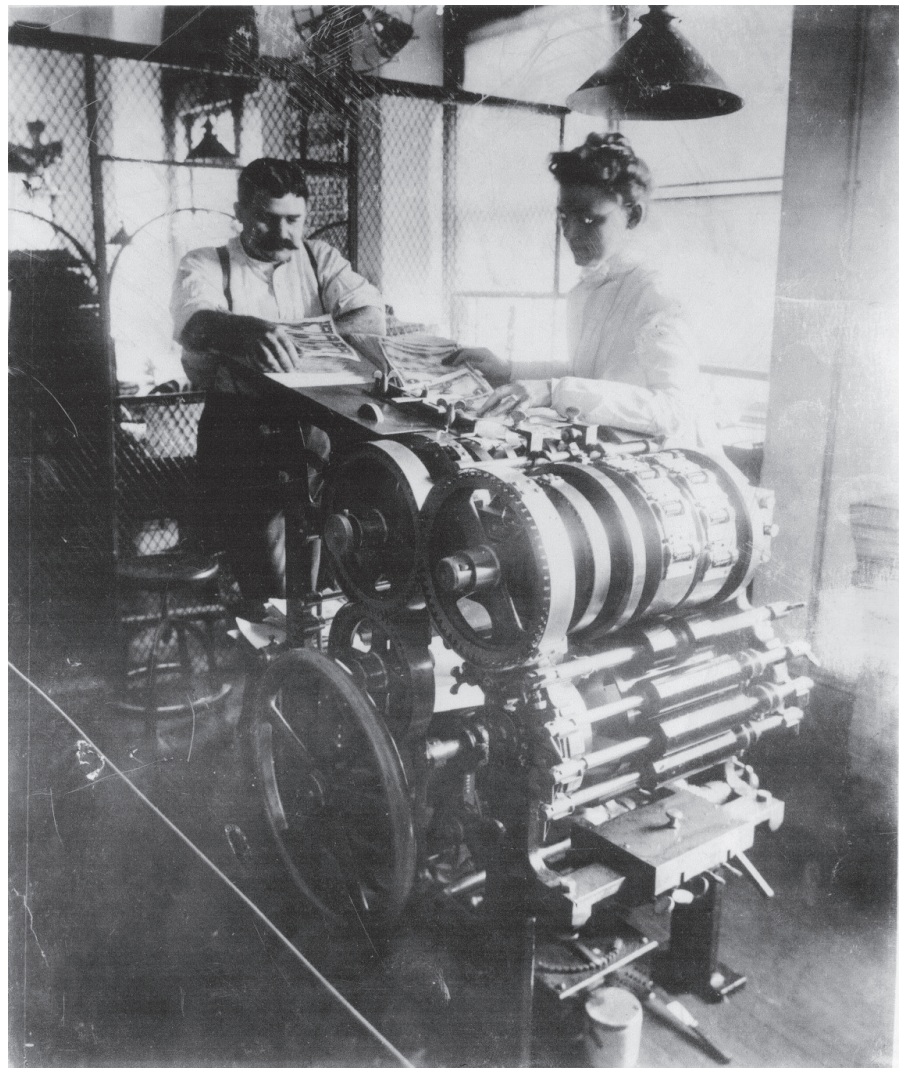


Prior to mid-1903, the serial numbers on type notes were applied to the uncut sheets using paging machines. The women operating these machines stamped the serial numbers one at a time onto the sheets. Both regular production and make-up replacement notes were numbered in this fashion using the same machines.

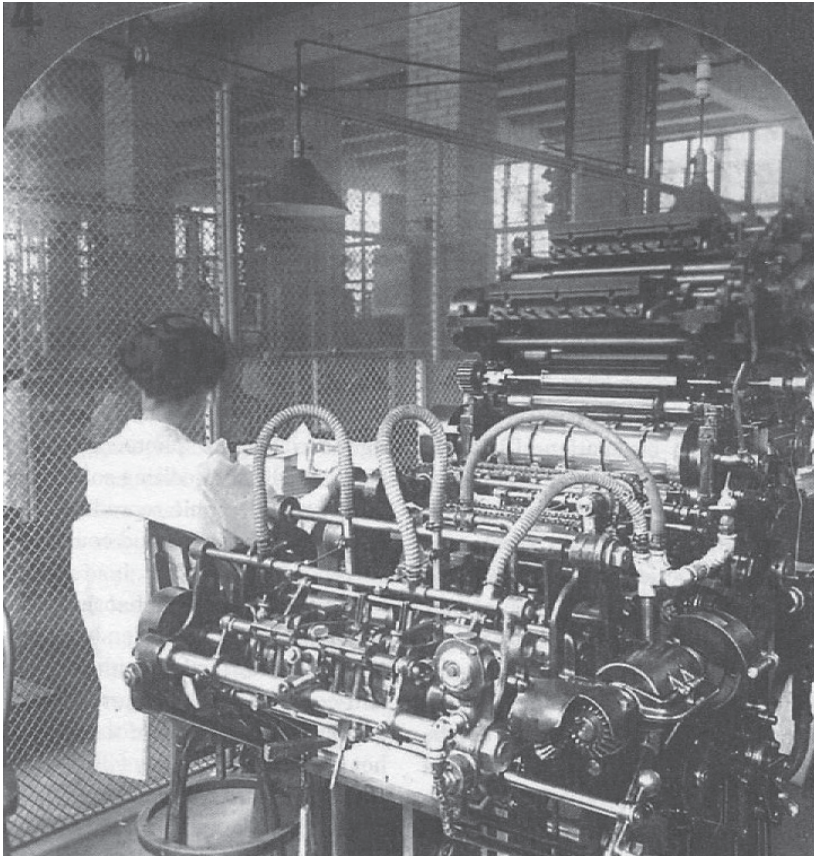
In mid-1903, new rotary numbering presses were introduced at the BEP that applied all the serial numbers to sheets in one pass (Meredith, 1904). There probably was a period of a few months before all the serial numbering of regular production notes was moved to the new presses. However, make-up replacement sheets continued to be made on the paging machines.

Notice that even after mid-1903 only serial numbers were being overprinted at the Bureau and this work was being carried out in sheet form. The sheets were still forwarded to the Treasurer's office where the seals were overprinted and the notes cut from the sheets.

**Figure 2. Numbering 4-subject sheets of Series of 1899 \$1 silver certificates on rotary numbering machines introduced in 1903 at the Bureau of Engraving and Printing. Notice that only serial numbers are being applied. The seals will be added at the Treasurer's office. Photo courtesy of the Bureau of Engraving and Printing Historical Resource Center.**



The BEP designed and had made for them a new generation of rotary numbering presses that went into production in 1910. These Harris presses overprinted both the serial numbers and seals, cut the notes from the sheets, and collated them in serial number order (Ralph, 1910, p. 6). They represented a huge technological advance that revolutionized the production of U. S. type notes by greatly speeding up the process. See Figure 3.



**Figure 3.** Harris numbering, sealing, separating and collating machines were employed to process type notes at the Bureau of Engraving and Printing beginning when the sealing function was transferred to the Bureau from the Treasurer's office in 1910.

The BEP bought 15 of the presses in the first year. This development forced two changes.

First, the Department of the Treasury transferred responsibility for sealing and separating the notes to the BEP, so now the BEP delivered fully completed notes to the U. S. Treasurer, rather than sheets without seals.

Second, the fact that the final inspection at the BEP was now carried out on individual notes rather than sheets rendered the concept of make-up replacement sheets obsolete. The result was that star notes were introduced. Misprints could be rapidly swapped out and replaced with star notes in order to maintain counts in the final deliveries. Elimination of make-up sheets removed a virtually insurmountable bottleneck.

Star notes were employed for the low denomination silver certificates, legal tender notes and gold certificates for printings made from mid-1910 forward. Stars were implemented for low denomination Federal Reserve notes and Federal Reserve bank notes in 1918.

#### **Distinguishing Make-Up Replacement Notes**

A technical quirk allows us to distinguish make-up replacement notes printed after mid-1903. The serial number font used on the new rotary presses differed from that in use on the paging machines. Consequently make-up replacement notes made after mid-1903 can be spotted.

In contrast both regular production and make-up sheets were numbered on the same paging machines prior to mid-1903, so the two are indistinguishable.

Of course the use of make-up replacements ceased once star notes came along. So the window during which identifiable make-up replacements can be distinguished varies from mid-1903 until the introduction of star notes for the various different classes and denominations of type notes.

Make-up replacements continued to be made to replace defective \$500 and higher denomination type notes all the way to the end of the large note era in 1929. As a result, our ability to spot make-up replacements in those denominations may extend from mid-1903 to 1929.

The primary diagnostic that we use to distinguish between the paging and rotary machine numbers is a distinctive new font that was used in the numbering wheels on the rotary presses. However, this diagnostic is not perfect.

A paging machine utilized a single serial numbering resister that held the character wheels that printed the serial numbers. Fundamental is the fact that both numbers on the make-up replacement notes were applied using the same numbering register on the paging machine. Consequently both numbers are identical in appearance.

The paging machine numbers were sometimes tilted or misaligned relative to each other on the make-up replacement notes, yielding yet a third clue.

The same diagnostics allow us to identify Federal Reserve and Federal Reserve bank note make-up replacements. The Federal Reserve series became current in 1914. Once again, different fonts were used in the rotary presses and paging machines dedicated to their production.

### **Phasing Out Make-Up Replacement Notes**

Make-up replacement notes were used as substitutes for misprints that were inserted to maintain counts. They were exact replicas right down to having the same serial numbers as the defectives they replaced.

The entire misprinted sheet - not an individual note - was replaced prior to the advent of star notes. This laborious process involved the following productivity-killing steps. After a batch of sheets was numbered on a rotary press, it was inspected and the defective sheets flagged. An operative using a paging machine then printed identical serial numbers on make-up sheets as found on the defective sheets and inserted them into their proper place in the batch. Notice that the poor woman had to reset her serial numbering register for each sheet and then manually or mechanically advance the numbers for each successive note on the sheet depending on the vintage of the machine.

Make-up replacement notes were used to replace misprints from the inception of U. S. currency in 1862. They began to be phased out beginning in 1910.

The introduction of the Harris presses in 1910 was the straw that broke the camels back when it came to continued use of make-up replacement notes. There were two factors: (1) existing make-up technology could not keep up with ever increasing production rates and (2) the Harris presses delivered the notes in cut form forcing the Bureau to reorganize their final inspection procedure. The last inspection now involved separated notes rather than uncut unsealed sheets.

Necessity is the mother of invention, so BEP Director Joseph E. Ralph made this recommendation to Treasurer Lee McClung on April 14, 1910 as he discussed details attending the transfer of the sealing and separating functions to the Bureau.

In this connection I would also bring to your attention another matter which largely affects the rapidity with which the examination of the separated notes may be accomplished. The present method at the Bureau is to replace all defective notes with perfect ones which are specially numbered in order that the sequence of numbers to your Office may be unbroken, but this seems to be an unnecessary care and labor inasmuch as the practice in your Office is to destroy imperfect notes and replace them with



notes drawn from your reserve stock without regard to the sequences of the numbers. It is therefore suggested that this Bureau be authorized to prepare a stock of notes numbered in sequence, beginning with 1, and distinguished from all other notes by the special letter or character printed before and after the number and that any one of these notes be substituted in place of any defective note, a record being made on the package to indicate to your Office that it contains such substituted note or notes.

Star notes did not steal the show overnight. Their use was phased in beginning first with low denomination silver certificates, legal tender notes and gold certificates in 1910. \$10 and \$20 silver certificate stars first appeared in 1914 following a hiatus in printing those denominations dating from before stars were adopted in 1910. \$100 and lower denomination Federal Reserve and Series of 1918 Federal Reserve bank note stars eventually followed in 1918 (Murray, 1996).



**Figure 4.** This note is from the very first printing of star notes. Star notes began to be used in the examining division on June 21, 1910. The solid star was such a visual distraction; they quickly were replaced with less intrusive stars with holes in the center. This is the only solid star replacement note that has been found. Photo courtesy of Doug Murray.

Stars never were used for \$500 and higher denomination large-size type notes in any class. Those notes were produced in such small quantities; the defectives could be replaced more cost effectively with make-ups rather than fooling with limited edition star printings. Similarly star notes never were used for Series of 1915 Federal Reserve or national bank notes.

We are uncertain about how far out in time our ability to spot make-up replacement type notes extends beyond 1903. Our experience with non-star replacement national bank notes (Hewitt and Huntoon, 2012) reveals that for nationals we lose our ability to distinguish the make-ups after about 1920. The explanation is that the old font numbering wheels in the paging machines were taken out of service then and replaced with the new fonts, so the make-up replacements were no longer distinguishable.

Whether this cutoff translates to high denomination type notes is an open question at this time. There are numerous issuances of high denomination type notes that were printed after 1920. Consequently it is our hope that we will be able to identify make-up replacements among them; a hope contingent on the use of old style fonts on the paging machines dedicated to printing those make-ups.

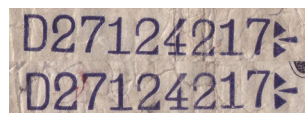
### Font Distinctions

A new numeral font came with the rotary presses placed in service in 1903. Figure 5 is a comparison between the paging and rotary machine fonts used on silver certificates, legal tender notes and some gold certificates at that time. Most of the numerals differ but the differences between the 2s, 3s and 4s are especially pronounced.



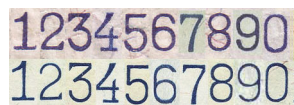
**Figure 5.** Comparison between the old style font (top) used on paging machines and that used on rotary presses first introduced in 1903 for numbering silver certificates, legal tender notes and gold certificates. Paging machines were used to number make-up replacement notes after introduction of the rotary presses, so the old font is the primary diagnostic used to identify make-up replacement notes. The differences between digits 2, 3 and 4 are especially pronounced. Notice the droopy 2, exaggerated cross hatch in the 3, and particularly long diagonal sloping line in the 4. Minor differences are apparent between digits 1, 5, 6, 7 and 9.

Figure 6 illustrates a typical pair of serial numbers from a replacement \$1 Series of 1899 silver certificate. Notice first that all the numerals are old font. Next look at the fine details in the numbers, including minute flaws in the individual characters, relative spacing between the numerals, and the relative vertical alignments of the numerals. Notice that all of these features are identical within a pair because both were printed by the same serial numbering register.



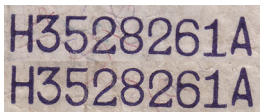
**Figure 6.** These are serial numbers from a \$1 Series of 1899 silver certificate make-up replacement note. The top serial is from the left side of the note. Notice that every detail is identical because both numbers were applied by the same numbering register. Compare flaws in the characters, relative spacing between the numerals, and relative vertical alignment between the numerals.

Federal Reserve notes offer a bit more of a challenge. The rotary presses used to number the regular production notes used the same new font as used on the other type notes. However, as shown on Figure 7, the paging machines used for making-up FRN replacements used a different font than employed for the other type notes. The droopy 2 is the same but differences between the 3s and 4s are far less pronounced. Consequently 2s are the key numerals for identifying FRN make-up replacements.



**Figure 7.** Comparison between the font (top) used on paging machines and that used on rotary presses for printing serial numbers on Federal Reserve and Federal Reserve bank notes. The paging machine font used to print the make-up replacement notes exhibits far fewer differences than the one used for the other types. The droopy 2 is the most definitive replacement numeral.

Without a 2 in the serial number we are dependent on the other criteria to make the call; specifically, the two numbers must be identical (Figure 8) and they may be tilted or misplaced in comparison to a regular production note. We have noticed on the three examples available to us that the make-up numbers tend to look over-inked as well, a characteristic that shows nicely in the comparison on Figure 7.



**Figure 8.** These are serial numbers from a \$10 Series of 1914 Federal Reserve make-up replacement note. The top serial is from the left side of the note. Every detail is identical because both numbers were applied by the same numbering register. Also useful is that the numbers appear to be over-inked in comparison to typical rotary press numbers.

### How to Identify Make-up Replacement Notes

The key to identifying make-up replacement silver certificates, legal tender notes and gold certificates is to first determine if the suspect note was numbered after mid-1903 when the rotary numbering presses with the new fonts first came on line. This occurred during the latter half of the Lyons-Roberts era so replacement notes made before then cannot be definitively identified.

For example, the window opens for \$1 Series of 1899 silver certificates with serials of about B30000000, which were being numbered in around May 1903. It closes for this type note with serial V75612001 when star notes began to be used on June 21, 1910 (Murray, p. 9-10). See Table 1 for the serial number ranges for other candidate make-up replacement type notes.

The procedure for identifying make-up replacement Federal Reserve and Federal Reserve bank notes simply relies on the appearance of the serial numbers, so you don't have to worry about serial number ranges for candidate notes.

**Table 1. Silver certificate, legal tender and gold certificate serial number ranges where non-star make-up replacement notes can be identified using the criteria developed in this article.**

| Den                         | Series | Impacted Serial Number Range <sup>1</sup> | Prefix Letters      | Friedberg Numbers | Date of First Use of Star Notes |
|-----------------------------|--------|-------------------------------------------|---------------------|-------------------|---------------------------------|
| <b>Legal Tender Notes:</b>  |        |                                           |                     |                   |                                 |
| \$5                         | 1907   | A1-B8292000                               | A,B                 | 83-84             | June 21, 1910                   |
| \$10                        | 1901   | 20000001-D4000000                         | no prefix,A,B,D     | 114-117           | August 9, 1910                  |
| \$20                        | 1880   | A1-D408000                                | A,B,D               | 143-145           | circa 1915-1919                 |
| <b>Silver Certificates:</b> |        |                                           |                     |                   |                                 |
| \$1                         | 1899   | B30000001-V75612000                       | B,D,E,H,K,M,N,R,T,V | 226a-229          | June 21, 1910                   |
| \$2                         | 1899   | 56000001-E16176000                        | No prefix,A,B,D,E   | 249-252           | July 15, 1910                   |
| \$5                         | 1899   | 88000001-E17700000                        | No prefix,A,B,D,E   | 271-275           | June 21, 1910                   |
| \$10                        | 1908   | A1-B1164000                               | A,B                 | 302-303           | May 11, 1914                    |
| \$20                        | 1891   | E8600001-E9104000                         | E                   | 320               | May 21, 1914                    |
| \$50                        | 1891   | E900001-K812000                           | E,H,K               | 333-335           | not used                        |
| <b>Gold Certificates:</b>   |        |                                           |                     |                   |                                 |
| \$20                        | 1882   | C11700001-C16544000                       | C                   | 1178              | not used                        |
| \$50                        | 1882   | C1200001-H1604000                         | C,D,E,H             | 1193-1197         | not used                        |
| \$100                       | 1882   | C900001-M1420000                          | C,D,E,H,K,M         | 1206-1214         | not used                        |

1. The beginning serial is the estimated first use of rotary press numbering machines for the type after those machines went into production in mid-1903 and is subject to revision. The ending serial is the last serial printed before the use of star notes began (Murray, 1996, p. 9-10).

Large size type notes meeting the following criteria are replacement notes.

1. The note must have been printed after mid-1903.
2. The note must have old style font serial numbers as illustrated on Figure 5 or 7 depending on class.
3. The fine details of both serial numbers must be identical including flaws in the numerals, relative spacing between the numerals and relative vertical alignment between the numerals because both numbers were printed from the same numbering register.
4. The serial numbers may be out of alignment with each other, tilted, or otherwise misplaced in comparison to regular production notes.
5. The serial numbers may have an over-inked appearance.



There is one caveat. Many regular production notes with serial numbers below 1,000 and limited edition star note printings that were printed after mid-1903 satisfy these criteria because they also were numbered on paging machines. They are not make-up replacements. It was more cost effective to print the low serial numbers using paging machines than to print them on the rotary presses. The problem was that if numbered on the rotaries, the operator had to reset the serial number wheels in the number registers each time the numbers increased by an order of magnitude.

Figures 9 through 12 are a sampling of make-up replacement notes. The captions point out crucial diagnostic features.



Figure 9. This Series of 1899 \$1 changeover pair consists of a make-up replacement note (top) and a regular production note. Notice the droopy 2 and long diagonal sloping line in the 4 in serials V20000004. The serial number reveals that V20000004 is from the first sheet in a serial numbering run that was damaged. The first sheets in production runs are the most likely to suffer damage, a finding that holds up in every class, series and denomination. Photos courtesy of Heritage Auction Archives.



Figure 10. This spectacular red seal Federal Reserve make-up replacement note was spotted on the basis of the droopy 2s in the serial numbers. The font used to number FRN replacements retained the signature droopy 2s but far less noticeably different 3s and 4s. This note also exhibits serial numbers that are slightly tilted. Photo courtesy of Heritage Auctions Archives.





**Figure 11.** Bison \$10 legal tenders are highly prized but this one is even more so because it is a make-up replacement note. Notice the giveaway old font 2s and 4s in the serial number. This note appears to be from the first sheet in a serial number run that was damaged. Photo courtesy of Heritage Auctions Archives.



**Figure 12.** This \$1 Series of 1899 Vernon-Treat silver certificate is a make-up replacement, the giveaway being the telltale 2s and 3s in the serials, and the identical appearance of both serials. Photo courtesy of Heritage Auction Archives.

### Federal Reserve Notes

Federal Reserve notes were treated differently than other type notes when they came into being in 1914. Federal Reserve notes, being the liability of the issuing banks, were treated by the Treasury Department identically as national bank notes; that is, as bank currency. This contrasted with Treasury currency such as silver certificates, legal tender notes and gold certificates, which were the liability of the Treasury.

Consequently, the early Federal Reserve and all Federal Reserve bank notes were processed the same as national bank notes. Specifically, make-up replacements were used to replace misprints. As the volume of Federal Reserve note production increased, the bottleneck of make-up replacements had to be overcome. Thus the decision was made in 1918 to employ stars for all except the denominations above \$100.



**Figure 13.** The primary diagnostic used to distinguish Federal Reserve note make-up replacements are droopy 2s in the serial numbers. Notice on this note that the serials are exactly alike and noticeably tilted as well.

The first Federal Reserve star notes to be numbered were \$5 blue seals for Boston on August 28, 1918 (Murray, 1996, p. 11). Stars for the other denominations and districts gradually came on line over the next couple of years.

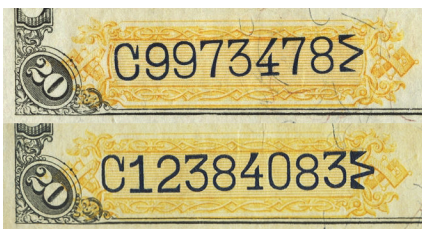
The use of stars postdated the entire Series of 1914 red seal and Series of 1915 Federal Reserve bank note eras. However, they were used in the Series of 1918 Federal Reserve bank note issues.

### Gold Certificates

No make-up gold certificate replacement notes have been found to date. However it is likely that they exist and some can be identified using the techniques presented in this article.

Gold certificate Series of 1907 \$10 and Series of 1906 \$20 star notes began to be made in 1910; however, \$50 and \$100 stars came much later during the Series of 1922 Speelman-White era. The result is that make-up replacement gold certificates were made in the \$10 and \$20 denominations through 1910, whereas those used for all the other denominations extended well beyond that.

New font serial numbers appeared on then current Lyons-Roberts Series of 1882 \$20 and higher denomination gold certificates when the numbering of them was transferred to the rotary presses in 1903, the same as with other type notes. See Figure 14. Consequently there is the opportunity to distinguish make-up replacements made on paging machines where the old font was still in use. See Table 1.



**Figure 14.** New font serial numbers (bottom) appeared on Series of 1882 Lyons-Roberts gold certificates when production was shifted to the rotary numbering presses in 1903. The old font numbers (top) continued to be used on the paging machines used to produce the make-up replacements. None have been found yet, but there is a good chance we will be able to spot make-up replacement gold certificates using the old-new font discrimination technique. Photo courtesy of Heritage Auction Archives.

The gold certificate story is complicated by the use of smaller serial numbers on certain post-Series of 1882 denominations, such as the Series of 1907 \$10s and Series of 1905 \$20s. The numbers are similar to the numbers on Series of 1896 silver certificates. We don't know at this time if the rotary presses and paging machines for the gold notes utilized the same or different



fonts in the smaller size, so we don't know if it is possible to distinguish between the regular production and make-up replacements in these series.

### Mixed Font Serial Numbers

Mixed font serial numbers occasionally are found in serial numbers produced from both paging machines and rotary presses that were printed during the era under consideration here. What appears to be going on in both situations is that numbering wheels made by different suppliers were substituted for worn or damaged traditional wheels in the numbering registers. Although these situations are a nuisance, it is possible to sort things out using basic principles.

In cases involving make-up replacement serial numbers, a number having a new or non-traditional font occurs mixed in among the old style numbers. Important is that it occupies the same position in both serial numbers. The fact of overriding importance is that both serial numbers look identical because both were printed from the same numbering register on a paging machine.

The mixed font serial numbers printed on rotary presses are easier to sort out. In these cases one or more numerals are mixed in that look similar to old font numbers, especially 4s but also 1s, 2s, 3s and 5s. See Figure 15. Usually close examination reveals that they are not precise duplicates of either the old or new fonts on Figure 5.



**Figure 15.** Example of a regular production \$1 Series of 1899 Vernon-Treat silver certificate with mixed font serial numbers printed on a rotary press. Compare the 4s. The note was numbered on a rotary press in which the numbering wheel containing the 4 in the serial number probably was on a replacement number wheel made by a different supplier. Separating out these non-replacements may seem tricky, but the key is that the two serials are not identical so they could not have been printed from the single number register on a paging machine. Photo courtesy of Heritage Auctions Archives.

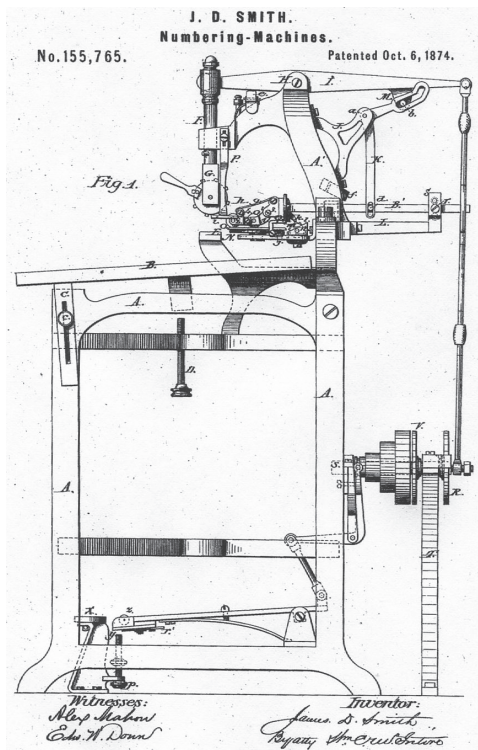
Characteristically these odd numerals don't occur in the same position within the serial numbers on the respective sides of the note. This is the giveaway that they were not printed on the paging machines used to prepare makeup replacements.

### State of this Research

Make-up replacement notes are very scarce to rare. Only a handful has been identified to date, mainly because collectors did not know how to spot them. Obviously the small number of them available to us represents a fragmentary sampling of the possibilities. This means we are probing what is largely uncharted territory so our vision is imperfect.

We expect the population of reported make-up replacements to grow appreciably once collectors become aware of them and learn how to identify them. The information that comes with the new finds certainly will refine what is presented here.

One insight that came from writing this article was that all currency made at the BEP prior to mid-1903 was numbered on paging machines. The earliest paging machines looked like the one illustrated on Figure 16.



**Figure 16.** James D. Smith of the Bureau of Engraving and Printing patented this paging machine in 1874, which served as a prototype for the machines that were used to number currency, bonds and certain revenue stamps. The small lever next to Fig 1 on this early model was used to advance the serial number.

Can you imagine numbering a few hundred million notes per year on these hand and treadle operated machines, one serial number at a time? No wonder there was the room full of such machines as shown on Figure 1. That view includes but a fraction of the numbering machines and workforce employed to get the job done. Talk about a production bottleneck!

The invention of rotary numbering machines was long overdue, and once they come on line in 1903, the death knell for make-up replacements was ringing. The advent of even faster numbering machines in 1910 sealed their fate. The employment of star notes eliminated the bottleneck formerly associated with make-up replacements.

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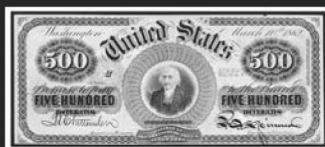


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# Dick Gregory's "One Vote" Note

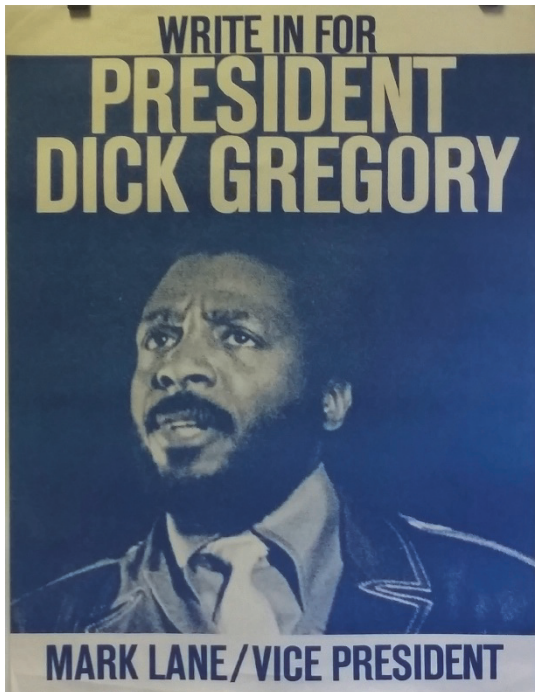
by Loren Gatch

THE YEAR 1968 brought waves of international protest across Europe and the Americas, motivated partly by the United States' escalating involvement in Vietnam but which also reflected a more general challenge by global youth to existing structures of authority. In the United States, opposition to the Vietnam War converged with the civil rights movement to produce a contentious and often violent politics of protest that was rendered more volatile by the assassinations, in April and June 1968, of Martin Luther King and Robert F. Kennedy. Lyndon B. Johnson's refusal to run for re-election left the Presidential contest of that year without an incumbent candidate, and the Democratic Party in particular was shaken by the anti-war campaign of Senator Eugene McCarthy, who was muscled aside that August by the party's establishment at the chaotic Democratic National Convention in favor of Hubert H. Humphrey.

As Humphrey went down to defeat against Richard Nixon in November 1968, another candidate used his own write-in campaign to promote a wider critique of American politics and society. While the comedian Dick Gregory had no chance of assuming the Presidency, the panache with which he staked out positions on poverty, pacifism and race relations won him enthusiastic audiences, particularly among college students. Gregory's campaign also briefly ran afoul of the government when it issued facsimiles of U.S. currency sporting Gregory's portrait in place of George Washington, which the Secret Service seized for looking too much like the real thing.

Richard Claxton Gregory (born 1932), has been a comedian, political activist, entrepreneur, and general gadfly in American public life since the early 1960s. As a comic, Gregory was one of the first black performers not only to play before white audiences, but to incorporate biting commentary about contemporary issues like civil rights and racism into his humor. Given his professional break in 1961 by Playboy's Hugh Hefner, Gregory quickly became a nationally-known entertainer as well as a prominent civil rights activist and anti-war campaigner.

Gregory brought a performer's flair to his political engagement, running, for example, in 1967 against Richard Daley for Mayor of Chicago (and receiving 22,000 write-in votes). Gregory reprised his Chicago campaign performance by entering the Presidential race in early 1968, first with Dr. Benjamin Spock as his running mate and then later, in September, paired with Mark Lane, a former New York State Assemblyman and critic of the Warren Report. In a Monty Pythonesque touch, Gregory and Lane formed the ticket of the tiny Freedom and Peace Party, which in turn had broken off from the Peace and Freedom Party, whose Presidential candidate that season was the Black Panther leader Eldridge Cleaver. The sectarian split reflected concerns about Cleaver's lack of appeal beyond Panther circles and even the possibility that his young age would invalidate his candidacy (Cleaver was not yet thirty-five at the time). Both wings of the party stood to the left of the regular Democratic Party on the issues of civil rights and the war in Vietnam, and expressed the distaste many activists felt for the Democrats' treatment of Eugene McCarthy during the Chicago convention.

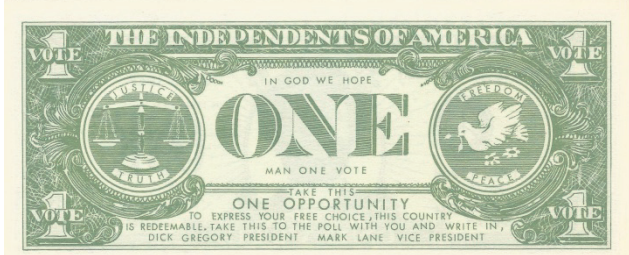


*Gregory-Lane Campaign Poster*

Dick Gregory put real energy into his campaign, and even managed to publish a paperback manifesto of his candidacy, *Write Me In!*, which if anything confirmed that Gregory certainly was not lacking in ideas about how to make America a better place (one proposal of unimpeachable merit was to place pay toilets in federal buildings and use the proceeds to finance foreign aid). Apart from an intelligent analysis of the differences between Southern and Northern racism (and Gregory's evident penchant for conspiracy theories), what emerges from the idiosyncratic details is a core conviction, common among idealistic reformers, that if only responsibility for solving America's problems could be taken away from the corrupt politicians and placed into the

hands of well-meaning experts, then all would be well.

The episode of Gregory's campaign that garnered his candidacy a national, albeit brief, surge of publicity was the controversy over its use of the "One Vote" note (pictured below). Patterned rather closely in its scrollwork and arrangement after a genuine U.S. dollar, Gregory's version replaces George Washington with a photographic portrait of Gregory, a peace sign on the left and the denomination "One Vote" on the right. Signed by Gregory and Lane, the note promises that it "cannot be bought sold or traded." On the reverse, the "one vote" denominational motif is multiplied on each corner and in the center, while the Great Seal is replaced by the scales of justice on the left and a peace dove on the right. The text exhorts its bearer to "take this one opportunity...to the poll with you and write in Dick Gregory President and Mark Lane Vice President." At least two varieties of the note exist: one with the words "vote for", the other with the words "write in", above Gregory's signature.



In a later memoir, Gregory recounted how he came upon the idea of putting his face on a dollar bill. On a trip to Mississippi, Gregory noticed how a car bearing Illinois plates with the slogan "Land of Lincoln" got a brick through its window by angry locals, yet "they couldn't get rid of the five dollar bill that has his name and face on it. That's when I realized the power of money." He further explained: "I wanted some campaign literature that if you threw it down, somebody would pick it up." One unsourced account describes how Gregory's bills were first



issued in Chicago by Operation Breadbasket; an early newspaper account of Gregory's bills (with picture) appeared on October First in the black publication, the *Chicago Defender*, under the headline "Freedom Dollar". The currency only gained national notoriety later that month, when newspapers across the country reported that the Secret Service had seized quantities of Gregory's campaign money and printing equipment in raids conducted in New York City, Nashville, and Cincinnati. At that point, over a million examples of the note had been produced, and were being distributed liberally at Gregory's campaign events.

J. Baxter Bryant, head of the Tennessee Human Relations Council and a Gregory campaign official in Nashville, where some 30,000 samples were confiscated, alleged that "racists" had instigated the government actions, and the campaign vowed to file suit in federal court in Nashville to block the election because of the suppression of Gregory's campaign literature. The publicity was a godsend to the Freedom and Peace Party ticket, and the Secret Service's officious public statements represented a straight man's counterpoint to the playfulness of Gregory's reactions. United States District Attorney Gilbert S. Merritt Jr. wrote to Bryant, explaining the reasons for the seizure of the notes: "Our investigation indicates that the bills have been passed as dollar bills in numerous instances in other parts of the country, both in money-changing machines and to merchants, and business and individuals have been defrauded in the process." In Norfolk, VA, where Gregory had handed out his money the previous week at an appearance, Lawrence M. Farmer, Special Agent in charge there, advised that "people having these bills should surrender them to the United States Secret Service", adding helpfully: "Persons won't be prosecuted as long as they surrender the bills."

While the government was notorious for its low tolerance of almost any depiction of United States currency, the assertion that Dick Gregory's campaign note had defrauded anybody was risible, and Gregory made the most of it. First of all, he noted, it was his picture on the note, and not George Washington's; "anyone knows that a machine made by a white man can tell the difference between a George Washington and a Dick Gregory Dollar"; moreover, he contended, the scales of justice on its reverse actually referenced Libra, Gregory's astrological sign. In a play on the accusation that the campaign handbill worked in change machines, Gregory countered "it had been seized because it is definitely dangerous to the major political machines." Far from the notes cheating anybody, Gregory said "I expect each one of them to be negotiated as a vote on Election Day."

If Gregory's note had fooled automatic change machines, this would not have spoken well for the reliability of those devices. In at least one instance, Elaine Euritt, a laundromat operator in Des Moines, did claim to have found two bills successfully used in the change machines at her establishment. Elsewhere in Des Moines, some 900 of the bills were distributed during a mock election at Hoover High School. The police chief of Memphis, Henry Lux, himself reported using one in a local store (one wonders if the clerk, knowing well who Lux was, would have dared refuse it). The question of the note's threat to the money supply reached a bizarre crescendo when Walter Cronkite, the anchor for the CBS Evening News, held up a sample during one of his national broadcasts. With an enlarged copy of the note as a backdrop, Cronkite reported that his sample had been tested in the change machine of CBS's employee canteen—where it didn't work.



*Memphis Police Chief Henry Lux performs a visual analysis of the offending note.*

Many years later, Gregory maintained that the Secret Service actually returned the confiscated notes to the campaign, illustrating the truth that “until you put a picture of a black person’s face on American money, nothing that has my picture on it is a facsimile of American money.” Whether or not this was indeed the case, the controversy over Dick Gregory’s “One Vote” note gave a final fillip to his campaign. The Freedom and Peace ticket managed 47,138 write-in votes on Election Day (well over half of which came from New York state alone), over 10,000 votes more than Cleaver’s candidacy. In Pennsylvania, at least, Gregory appeared on the ballot with Dr. Spock, not Mark Lane. In any event, these numbers were of course drops in the bucket compared to the turnout for the major parties, and the 1968 campaign marked only the beginning of Gregory’s long and sometimes controversial career as a celebrity activist and public figure.

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## About Texas Mostly



By Frank Clark

### First National Bank of West Plains, Missouri

The summer of 1839 saw the first white settler within the future city limits of West Plains. His name was Adams and he settled at a spring that was in the area of what had been an Indian campground for centuries. Adams went on to sell his improvements that autumn to Tennessean Josiah Howell and family. At this time this was still part of Oregon County.



On December 7, 1848 a new post office opened up in the vicinity and it needed a name. Judge John R. Woodside who presided at Thomasville, the county seat of Oregon County, came up with the name of West Plains. He chose this name because the post office was "west of Thomasville across the plains." At this time the land between Thomasville and West Plains was clear of trees and covered with tall prairie grass.

Howell County was created out of Oregon County on March 2, 1857 with West Plains the county seat. Howell County is in south central Missouri hard against the Arkansas state line. The Civil War brought to the county constant conflict with guerilla warfare on both sides. Many people perished and many others fled as West Plains was burned to the ground.

By 1870 West Plains had a population of 250. The railroad arrived on December 25, 1882 and the population rose to 2,000 souls within the next two years. Banking also took hold in West Plains during this time. The first bank in town was the West Plains Bank founded in 1883 on Washington Street. The bank occupied this location until 1889 when they moved to the east side of the town square. The Washington address is in the National Register of Historic Places. The bank would go on to build their third building on the same lot previously occupied by their second building. The third building served the banks needs from 1916 to 1978.

The Howell County Bank was the second bank in West Plains as it opened in 1890. It faced the town square on the east side of Washington Street. The first president was J.L. Thomas. He had been a former officer with the West Plains Bank. D.W. Reese was vice president and George H. Carter was cashier. The third bank in town was the First National Bank. It received its charter number of 5036 in 1896. This bank was the only note issuing bank in Howell County. The first president was wealthy Chicago brewer Michael Brand. He had founded the nearby town of Brandsville in 1895 as a refuge for recently immigrated Germans. Brand was the president of the First National Bank until his death in 1897. The first vice president was William J. Zorn and the first cashier was Lee M. Catron. Catron also managed the Catron Opera House. Brothers James P. and Tan Harlin bought a controlling interest in the Howell County Bank in

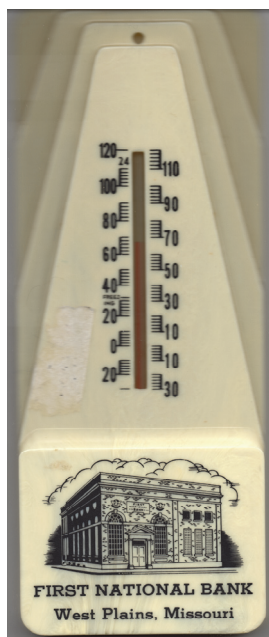


1908. The Harlins would later go on to acquire the First National Bank in 1922. Then they merged the assets of the Howell County Bank into the First National Bank. James Harlin would also go on to serve as West Plains mayor for many years. Today his former home is the non-profit Harlin Museum. The museum is a cultural center telling the story of the Ozarks through art and history. The home was built in 1889 and it is located at 505 Worcester Avenue.

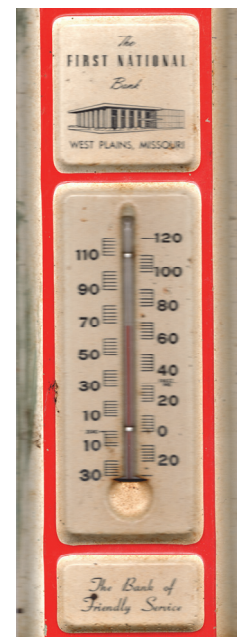
The First National Bank issued \$5, \$10 and \$20 Second Charter Brown Backs and Date Backs. It would go on to issue \$10 and \$20 Third Charter Plain Backs. Later, the bank would issue Series 1929 Type I and Type 2 Nationals with both being in the \$10 and \$20 denominations. Type I sheet numbers 275-316 of the \$10 denomination and 52-104 of the \$20 denomination were cancelled and not issued. Auction and fixed price list appearances for the First National Bank of West Plains have been few over the years. However, the 1980's started off with a bang as there were three appearances on the Lyn Knight 1980 fixed price list of the Fred Sweeney Collection of Missouri National Bank Notes. Included in this collection was a sheet of four \$5 1882 Brown Backs. The serial numbers were 1208-A-B-C-D and the bank officers who pen signed this sheet were Cashier Lee M. Catron and Vice President W(illiam) J. Zorn. Listed next was a sheet of four \$5 1882 Date Back notes with serial numbers 169-E-F-G-H. The officers who pen signed this sheet were Cashier C.C. Chandler and Vice President Lee M. Catron. This price list also had available a \$10 Series 1929 Type I note. The officers on this note with serial number F000071A were the Harlin Brothers, Cashier W.T(an) Harlin and President J(ames) P. Harlin. In the intervening years there have been only two other public appearances by a note on this bank and the same example made both. May 1998 saw the debut of a \$10 Series 1929 Type II note with serial number A000077 at the Currency Auctions of America Spring Auction Sale. This note finally had a return engagement after a sixteen year absence in the Lyn Knight 2014 Memphis auction. The officers on the Type II note are Cashier H.C. Kellett and President J.R. Reed. This is the note that accompanies this article. Today this bank is under the Landmark Bank umbrella.

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# THE “ENGLISH” SERIES OF NOTES OF THE CENTRAL BANK OF THE PHILIPPINES

by Carlson R. Chambliss

The use of paper money in the Philippines dates back as far as the 1850s, and notes have been issued by a variety of regimes. Up until 1898 all notes in use were issued by the private Banco Espanol Filipino, but in 1898-99 some notes were issued by the ephemeral First Republic of the Philippines (inscribed Republica Filipina). The first notes of the American regime were silver certificates that were printed at the BEP and issued in 1903. In 1904 an issue of the Banco Espanol Filipina was released, and these were nearly identical in design to what had been in use in the 1890s under Spanish rule. Thus began a custom of using designs of former regimes well into the years when there had been a major change of government.

When the Philippines became fully independent in 1946, the paper money in use was the Victory notes that had been first issued in 1944. These closely resembled the earlier BEP-printed Filipino notes that had been in use prior to the Japanese invasion, and indeed many of the earlier notes also went back into circulation once the war had ended. As might be expected the Japanese occupation money was declared worthless, but there were problems with redeeming some of the numerous issues of the so-called guerrilla notes. In a few cases such as the majority of notes printed for Bohol, Iloilo, Mindanao, and Negros, there had been excess issues, and thus many of these notes were not made redeemable into Victory notes.

Both the economy and the physical infrastructure of the Philippines had been devastated by the war, and this made it difficult for the Philippine government to maintain a stable currency and to keep its exchange value fixed at the pre-war rate of two pesos to the dollar. In 1944-45 there had been large mintages of 10, 20, and 50 centavos silver coins at the Denver and San Francisco mints, but doubtless many of these were hoarded as the value of the currency began to decline. Coins in these denominations in base metals were not to appear until 1958. In 1949 an important action was undertaken when the Central Bank of the Philippines (Bangko Sentral ng Pilipinas in Tagalog) was established, and the Filipinos themselves could have exclusive control over the issue of their money.

This bank began to issue notes in 1949, but it followed a “tradition” that had been used by the Banco Espanol back in 1904. It issued notes that were almost identical in design to the Victory issues of 1944. The face designs were the same as the Victory issues, but their backs were now overprinted Central Bank of the Philippines in red in addition to a large Victory overprint in black. Philippine notes carry the signature of the president of the republic, and both the 1944 and the 1949 series bear the signature of either Sergio Osmena or Manuel Roxas as holders of this office.

Clearly the Central Bank issue of 1949 was a temporary and provisional issue, and two years later (i.e., in 1951) the first distinctive issue of notes of the independent Philippines was issued. By this time there was a desperate need for a fractional currency that could replace the frequently hoarded silver coins and also a similar need for a much larger issue and distribution of the peso notes. These notes have become known as the “English” series in part because they are inscribed on both sides in English and also because most of them were printed in England.



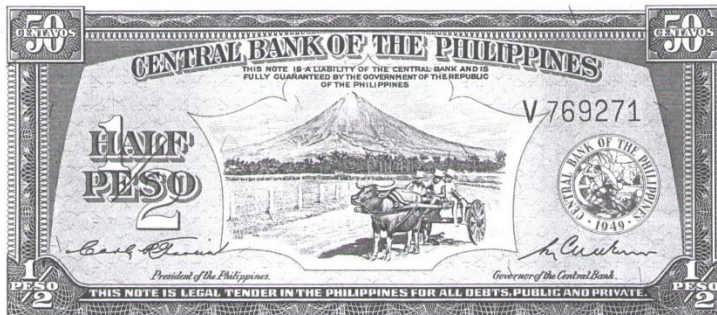
The four lowest values of this issue were fractional issues for 5, 10, 20, and 50 centavos. Most of these were printed in lithography by either the Security Banknote Co. in New York or by Waterlow & Sons or Thomas De La Rue in the UK. These notes measure 108 x 54 mm, and



A 20 centavos note printed by the Security Banknote Co. and a 10 c note produced by Waterlow & Sons. The 20 c note is signed by Quirino, while the 10 c note has the signature of Magsaysay. Some Philippine officials plainly had clearer handwriting than did others. Note the difference in styles between the numbers on these two notes.

their dominant colors are light red, red brown, olive green, and blue, respectively. The notes are numbered in blocks of one million notes each, and they are always in red. The firm imprints appear on the back sides, but the Security firm used heavy, serified numerals, while the British printings use thinner, sans serif numerals. The Security firm did only the earlier printings of the 5, 10, and 20 centavos notes, while in the UK the work was split between Waterlow (5 and 10 centavos) and TDLR (20 and 50 centavos). Throughout this period the governor of the Central Bank was Miguel Cuaderno, and his signature appears on all of these notes. The presidents serving with him were Elpidio Quirino, Ramon Magsaysay, and Carlos Garcia, and their signatures are also to be found on these issues.

The 5 c and 10 c values were issued only with the Quirino and Magsaysay presidential signatures, while the 20 c was issued with all three. The 50 c blue exists only with the Magsaysay signature, but in 1956 an entirely different type of 50 c or half peso note was produced by TDLR. It is printed in intaglio, blue green in color, 130 x 60 mm in size, and features a vignette that includes the famous Mayon volcano on its face. It bears the signatures of



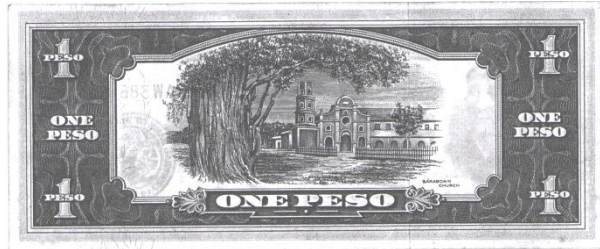
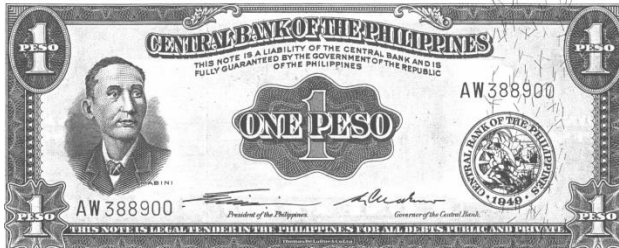
A half peso note that was printed in the early 1960s by Thomas De La Rue. It features a view of the very active Mount Mayon, a volcano located in southern Luzon. This mountain was also depicted on the faces of numerous 20 peso notes of the American period and on the back of the new 100 piso note that is currently in circulation.

Garcia and Cuaderno. All the other types use serial number blocks that are of the letter over letter type. These range from A/A to T/Z for the 5 c notes, A/A to U/J for the 10 c, A/A to Q/D for the 20c, and A/A to Q/X for the 50 c notes. By my calculations these work out to total printings of 468, 504, 446, and 440 million notes, respectively, for these four values. The pictorial 50 c or ½ P note uses the blocks A through Z and AA through BW, and for these apparently 71.7 million examples were printed. Although all of these notes are common and inexpensive, there are far too many serial number blocks to render them practical to collect in this fashion. Replacement notes were produced for the three values of this group that were printed by Security Bank Note Co., but these are scarce.

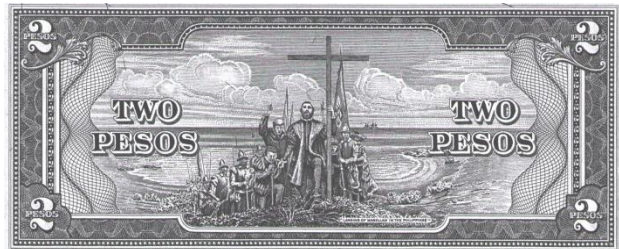
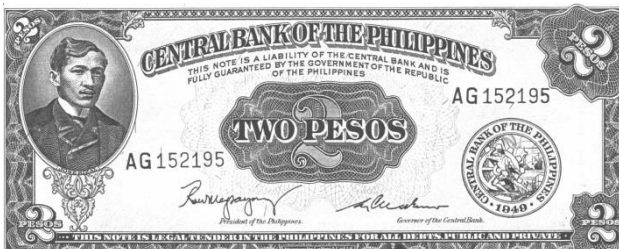


Unlike the lower values, all nine denominations of peso notes were produced by a single printer, Thomas De La Rue, and all are of the same size, 160 x 56 mm, which makes them the same width and just slightly longer than current-size U. S. currency. Before getting into the specifics of the nine values of the peso notes, I should say something about the persons and events that were depicted on their faces and backs.

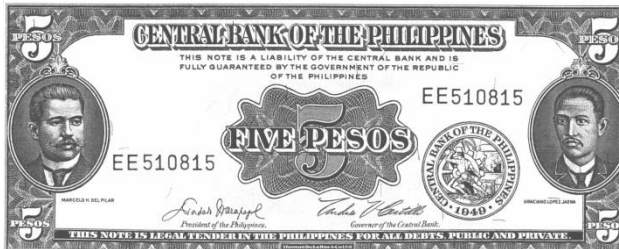
The 1 peso note portrays Apolinario Mabini (1864 – 1903), who served as prime minister of the short-lived First Philippine Republic that existed in the late 1890s. The back of this note



depicts the Barasoain Church in the town of Malolos, where many meetings of this government were held. The 2 peso note portrays Jose Rizal (1861-96), the writer who advocated Philippine self-rule and was executed by the Spanish just prior to the Spanish-American War. The back



design shows the landing of Magellan on the island of Cebu in 1521. The 5 peso note depicts the writers Marcelo del Pilar (1850-96) and Graciano Lopez Jaena (1856-96), who also favoured



autonomy for the islands but who died in Spain in the 1890s. The back of this note depicts a copy of the short-lived publication *La Solidaridad* that was founded and edited by Jaena and Pilar.

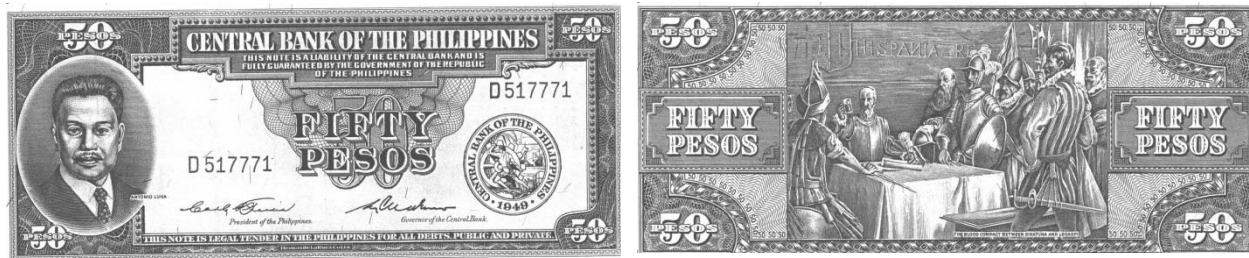
The 10 peso note portrays three priests (Burgos, Gomez, and Zamora) who were executed by the Spanish authorities in 1872 for their role in the so-called Cavite Mutiny of that year. The back of this note depicts a Philippine flag together with a statue honouring the 16<sup>th</sup> century



Spanish (actually Basque) explorers Legaspi and Urdaneta. The 20 peso note returns us to the late 1890s. Its face portrays the independence fighter Andres Bonifacio (1863-97) together with



his youthful follower Emilio Jacinto (1875-99). Although many Filipino independence leaders found themselves fighting both the Spanish and the Americans, there were also disputes between the various factions of these people. Bonifacio was executed on the orders of Emilio Aguinaldo (1869 – 1964), who was the first president of the ephemeral Philippine Republic. Aguinaldo was also about the only one of the early independence leaders who lived to a ripe old age. The back of this note depicts a monument to the publication *Kartilya ng Katipunan* (Tagalog for “Primer of the Association”). The Katipunan, to give it its short name, was a secret organization that was founded in 1892 to resist Spanish rule. The 50 peso note depicts another important military figure of this period, Antonio Luna (1866-99), but its back side depicts a so-called blood compact or oath of loyalty between the Philippine chieftain Sikatuna and the Spanish-Basque leader Legaspi.



The 100 peso note returns us once more to the 1890s. Depicted is Tandong Sora (1812 – 1919), the nickname of Melchora Aquino. Tondong means “old” in Tagalog, and she



truly was as her dates of birth and death attest. She knew and assisted in various ways many of the persons involved with the independence struggle. The back of this note depicts a group of 1890s-period soldiers bearing six of the revolutionary flags, one of which was adopted as the Philippine national flag that is still in use today. The two highest values bring us up to more recent times. Depicted on the faces of the 200 and 500 peso notes are Manuel Quezon (1878 – 1944) and Manuel Roxas (1892 – 1948). These were the first presidents of the autonomous Commonwealth of the Philippines and of the independent Republic of the Philippines, respectively. The backs of these notes depict the Legislative Palace (now the National Museum) and the Central Bank. Quezon has been depicted on all of the more recent 20 piso notes, while Roxas appears on all of the 100 piso notes. The former building appears on the backs of most 50

piso notes, while the earlier “Pilipino” 100 piso notes all depict the former Central Bank building on their backs.



The colors of the faces of these notes are closely similar in most cases. With the exception of the 200 peso note, all have black frames, portraits, seals, and central guilloches. The background colors are pastel, and all feature some coloration in buff or yellow ochre shades. This is enhanced by light blue on the 2 P, pink on the 10 P, rose on the 50 P, orange on the 100 P, and lilac on the 500 P. The 200 P differs from the others in having a dark green frame and other features in intaglio coupled with a pastel lilac rose and bluish green background. The backs of these notes are more distinctive. All are monocolored, and no pastel toning is used. The back colors are black (1P), blue (2 P), yellow ochre (5 P), red brown (10 P), orange brown (20 P), dark red (50 P), orange yellow (100 P), dark green (200 P), and purple (500 P), respectively. Both the face and back colors of the 5 and 100 peso notes are quite similar, and this must have caused some confusion. Perhaps that is one reason why the 100 P notes were pulled from circulation after only a short period of issue. All of these notes are printed on paper with silk threads, and the earlier pesos notes (i. e., those with Quirino’s signature) feature a vertical column of silk fibers displaced somewhat to the right from the centers of these notes along with a vertical thread on their left sides.

In addition to the three Philippine presidents previously mentioned, two others, Diosdado Macapagal and Ferdinand Marcos, also signed notes of these types. In addition to Miguel Cuaderno there were also three other Central Bank governors, Andres Castillo, Alfonso Calalang, and Gregorio Licaros, who signed these notes. There are a total of eight different signature combinations, but no denomination features all eight of these. The last of the signature combinations overlap to some extent with those of the 1, 5, 10, and 20 piso notes of the so-called “Pilipino” series that initially went into production in 1969.

The serial numbering scheme used by De La Rue involved serial number blocks of one million notes each. The first 25 blocks used the block letters A to Z excluding the letter O. These would then be followed by AA-AZ, BA-BZ, etc. The total printings of these notes varied enormously with totals of well over 100 million for the first five values, but only decidedly small amounts for the three highest values. The last serial number blocks for the six lower values were XN for the 1 P, DP for the 2 P, FG for the 5 P, FW for the 10 P, EK for the 20 P, and T only for the 50 P. All of the three high values have serial numbers in the A block only. The actual productions of these notes (in millions where the letter M is used) are as follows:



|     |         |      |         |       |         |
|-----|---------|------|---------|-------|---------|
| 1 P | 569.0 M | 10 P | 178.0 M | 100 P | 100,000 |
| 2 P | 119.0 M | 20 P | 140.0 M | 200 P | 50,000  |
| 5 P | 162.0 M | 50 P | 19.2 M  | 500 P | 20,000  |

As these data show, there are well over 100 block varieties for the 2, 5, 10, and 20 peso notes, and for the one peso notes there are more than 500. This makes collecting these notes by serial number blocks quite impractical. Most collectors, however, do go for the various signature varieties. For the one peso notes there are seven such varieties, but most persons recognize an eighth variety. The first 16 blocks of the notes with Quirino's signature (blocks A through Q) have the word "GENUINE" printed in very light tan letters at the top face of these notes. The remaining Quirino notes have serial numbers in the R through BM blocks, and they lack this wording. The "GENUINE" notes are fairly scarce and are definitely worth looking for. For the two peso notes there are four possibilities. None are rare, but those with Quirino or Garcia signatures are scarcer than the two others (Magsaysay and Macapagal).

There are six varieties of 5 peso notes and five of the 20 pesos. In both cases the earliest notes, i. e., those with Quirino's signature, are scarce. The 5 pesos with this signature exists in six blocks, but the 20 pesos exists only with the A block. These should be rated as very scarce, and they will prove difficult to get in high grade. Both values with signatures of Macapagal or Marcos are very easy to find, but those with Magsaysay or Garcia signature are somewhat trickier to locate.

There are six varieties of the 10 P notes and three of the 50 P notes. Notes with Macapagal (both values) or Marcos (10 P only) are very easy to acquire, but the Magsaysay and Garcia notes are a bit more difficult. There are real problems, however, with the 10 P and 50 P notes that feature Quirino's signature. Printing records indicate that 1,500,000 of the 10 P notes were made in the A and B blocks together with 200,000 notes of the 50 P notes in the A block only. Despite these moderately generous printings both of these notes appear to be quite rare. High grade examples would be extremely rare, and there is a question as to whether or not they exist at all in gem CU condition. The illustrations that I have seen of these varieties are no better than F-VF condition, and thus I feel that one should settle for notes in these grades.

The 1 P through 50 P notes continued to be issued until they were replaced by the so-called "Pilipino" issue of 1969. No notes of the 1951-type for either 2 P or 50 P were issued with Marcos signatures, and the first issue of the new "Pilipino" series did not include two peso notes. Soon, however, the 1 P notes of the new type were replaced with 2 P notes. The high value notes of the 1951 issue, however, were withdrawn from circulation in 1957, and apparently they were demonetized soon thereafter. Although 100 piso notes were in continuous production throughout the Marcos era and also in later years, 500 P notes did not re-appear until 1998, while 200 peso notes were not seen again until 2002. The new issues of 1998 also included a 1000 P note, a denomination that had never been previously used in the Philippines unless one counts the absurd "Mickey Mouse" 1000 peso note printed by the Japanese authorities in 1945 at the very end of their occupation..

With printings of only 100,000, 50,000, and 20,000, respectively, for the 100 P, 200 P, and 500 P notes of the 1951 types, these notes might be expected to be rarities, but they are most definitely not. Clearly the rate of survival for these notes was high, and the great majority of them have come from remainder stocks. These notes exist only with the original Quirino signature, and the 100 P and 200 P notes are almost always offered in CU. I do see 200 P notes with low serial numbers, but for the 100 P notes the serials are usually in the 70 000 to 90 0000 range. Quite possibly some of these with lower serial numbers were issued in the early 1950s, but then they were removed from circulation no later than 1957 or so.

The 500 peso note of this issue is a bit strange in that most examples on the market are in VF or XF condition rather than CU, a grade that is far more typical for the 100 P and 200 P notes. Since the three high values are readily obtainable in nice grades, and since several varieties of the 1 P through 50 P notes are also readily available, it is easy to put together a complete type set of all nine

values of this issue. Coming up with a few of the earlier signature varieties of some of the lower values (most especially the first printings of the 10 P and 50 P notes), however, will prove quite challenging.

The new catalog of world replacement notes by Ali Mehilba lists all of the De La Rue notes of the 1951 types as existing in replacement form, but I think that this is quite unlikely. Both the 10 P and the 50 P notes with the Quirino signature are true rarities that are very scarce in normal form. I feel that it is quite probable that neither of these varieties also exists in replacement form. Also since only 50,000 of the 200 peso and 20,000 of the 500 peso notes were printed for this series, I would be most surprised to see any of them show up as replacement notes. Incidentally, the symbol that TDLR used to indicate replacement status was an asterisk at the front of the serial number.

Specimen notes do exist for several varieties of these notes. The most available of these are notes overprinted SPECIMEN in red sans serif letters on both sides. The notes so overprinted are usually the latest of the signature varieties in each case. Specimen notes up through 100 P are being sold on eBay. Much scarcer are notes from TDLR that have the typical characteristics of specimen notes of that firm. These would include oval markings with the De La Rue name, and special serial numbers would be used for these varieties. Several signature varieties are available in this form, and these include several of the earlier varieties that are scarce in issued form.

When this series of notes was first issued, the official exchange rate for the peso was still two to the U. S. Dollar, although the cost of living (in pesos) was approximately three times what it had been in 1941. During the late 1950s, however, the Central Bank imposed an exchange tax on purchasing any foreign currency, and numerous transactions were being done at an effective rate of about 3.5 pesos to the dollar. By 1967 a new official exchange rate of 3.90 pesos to the dollar was in effect. In 1970 the value of the peso was allowed to float, and the rate soon fell to about 6.5 pesos to the dollar. Nonetheless the amount of inflation in the Philippines during the two decades in which these notes were in active circulation was quite modest in comparison with what was experienced by many other third world countries.

As can be seen from these exchange rates the notes for 100, 200, and 500 pesos would have made exceptionally poor long-term investments if laid aside when they were still in active use in the early 1950s. I regret that I do not know the full story as to how they were demonetized (most likely in 1957), put into cold storage, and then re-marketed in later years. Had they just been destroyed, they would be significant rarities today, but today's collectors can be thankful that they are still available and sell at prices that nearly everyone can afford.

For persons interested in further details on modern Philippine banknotes there is a superb website that contains more data on these notes than anything that I have seen in printed form. It is entitled "Philippine Banknotes, 1949 – Date" and its author is Christopher N. C. Gibbs, who is from Australia. It is kept very much up to date, and the latest version even has listings for notes issued in 2014. Unfortunately this source does not contain data on either replacement notes or specimen notes. Anyone with Internet access should be able to locate this site.

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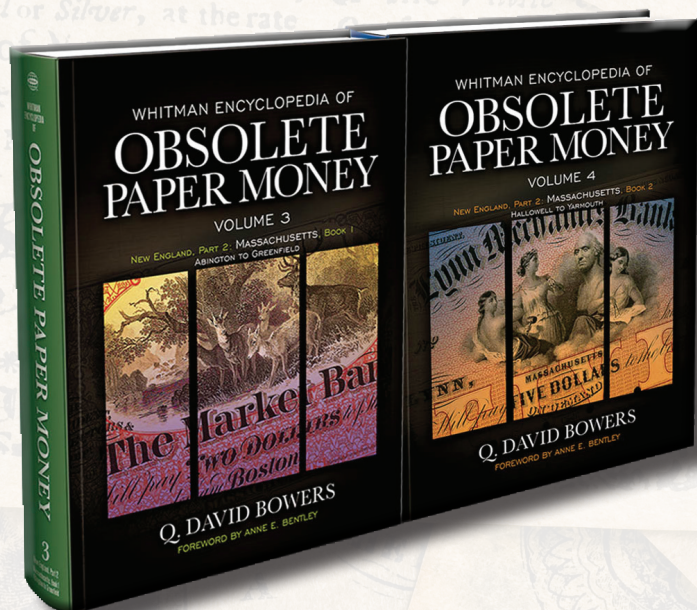
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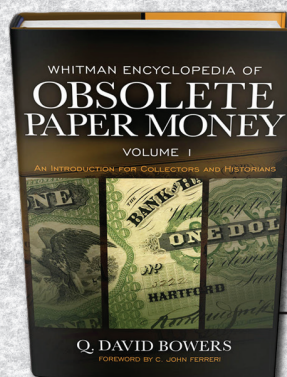
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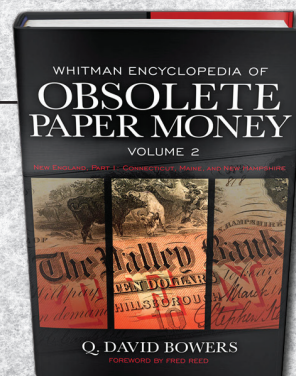


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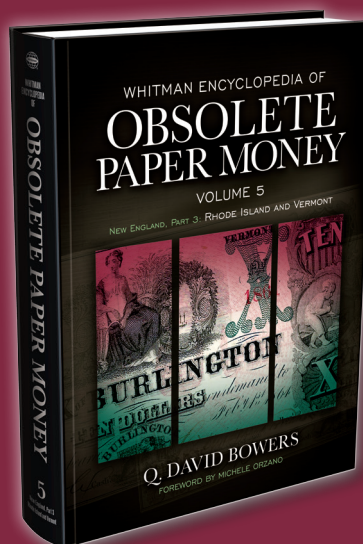
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**Museum of American Finance to Open**  
**“America in Circulation: A History of US Currency” Exhibition**  
*Interactive exhibition will feature the collection of Mark R. Shenkman*

New York, NY – On Wednesday, April 15, the Museum of American Finance will open “America in Circulation: A History of US Currency Featuring the Collection of Mark R. Shenkman.” Visitors will have the opportunity to view hundreds of beautiful and rare examples of American paper money and to explore them in more depth through large interactive touch screen displays.

From Colonial times, American money has told a fascinating and detailed story of the country’s struggles and successes. Pivotal moments in history have led to changes in the nation’s money, as crises have brought about innovation. Often local and national currencies competed and coexisted with each other, while economic depression, war and counterfeiting drove constant advances in design.

“Today, there are only seven notes in circulation. Yet most Americans don’t realize that both the banks and the government were issuing many different types of currency for most of our nation’s first 150 years,” said Museum President David Cowen. “The notes in this exhibit tell the story of the development of America, and their striking beauty makes them pieces of art in and of themselves.”

The exhibition will feature approximately 250 notes spanning from the Colonial era to the present day. Highlights include rare examples of currency bearing the signatures of signers of the US Constitution and Declaration of Independence; a complete set of notes from the Educational Series of 1896, renowned for being the most beautiful paper money in American history; and rare examples of high denomination notes including \$5,000 and \$10,000 bills.

“I am excited and honored to showcase my collection of American currency at the Museum of American Finance,” said Mark Shenkman. “Visitors of all ages will now be able to enjoy the beautiful engravings of hundreds of notes spanning three centuries, and to view and explore them as never before through an engaging use of technology.”

“America in Circulation” will be on view through March 2018 in the Museum’s money gallery. An online version of the exhibition will be available at [www.moaf.org/exhibits](http://www.moaf.org/exhibits).

**Opening Event:** Working members of the press are invited to attend a private reception to open “America in Circulation” on Wednesday, April 15, from 5:30-7:00 pm. Please contact Kristin Aguilera at [kaguilera@moaf.org](mailto:kaguilera@moaf.org) or 212-908-4695 to confirm your attendance.

**About the Museum of American Finance**

The Museum of American Finance is the nation’s only independent museum dedicated to preserving, exhibiting and teaching about American finance and financial history. With its extensive collection of financial documents and objects, its seminars and educational programming, its publication and oral history program, the Museum portrays the breadth and richness of American financial history, achievement and practices. The Museum is located at 48 Wall Street, on the corner of William Street, and is open Tues–Sat, 10 am – 4 pm. For more information, visit [www.moaf.org](http://www.moaf.org) or connect with the Museum on Facebook or Twitter.

# The Famous Polar Bear Vignette

by Terry A. Bryan

One of the most famous bank note vignettes features the attack of a polar bear on a small boat among ice floes. Four explorers, clad in bearskins, fend off the giant creature with an ax and a spear. Huge fangs exposed, the bear pulls the port gunwale almost under water. It is a desperate scene. One is reminded of actor Roy Scheider's famous line in the movie *Jaws*, "You're gonna need a bigger boat!"

Collectors are aware that "The White Bear" vignette was chosen by few banks in the 1860s. The scene pays homage to Dr. Elisha Kane's Arctic adventures, and there is a lot of background material that relates to it. For this reason, Arctic currency vignettes have inspired a number of writers. Two such related articles, both by Ronald L. Horstman, appeared in *Paper Money* in 1982 and 1999.

Bank note companies were constantly in search of pictorial material to render into engraved matter. In September, 1857, the famous book illustrator Felix O. C. Darley was paid \$60 by Toppan, Carpenter & Company for the design, "Sailors killing white bears". Another vignette of attacking polar bears was purchased from Darley in September of 1858. Durand attributes "The White Bear" vignette to Darley, but it remains unexplained why "bears" is plural in the artist's records, and the vignette image is unclear as to who is going to kill or be killed. Perhaps the engraver omitted additional bears from the artist's composition. In any case, the engraved die is entitled, "The White Bear".



**Die proof of "The White Bear" from ABNCo. in 1860.**

steel under the aegis of ABNCo. The design subsequently titled, "The White Bear" by ABNCo. was engraved by DeWitt Clinton Hay. The 1860 copyright date is found micro-lettered on the steel vignette die.

No less an author than Herman Melville described white bears in chapter 42 of *Moby Dick* in 1851. Whalers were more familiar with the arctic than explorers and navies in that early day. This passage is used as an example of "Philosophical Naturalism", part of a mid-19<sup>th</sup> century social, literary and artistic trend. Melville's narrator, Ishmael, describes the horror of *Moby Dick*: "It is the whiteness of the whale that above all things appalled me."

Toppan, Carpenter had agreed to help form the new corporate entity of the American Bank Note Company in April of 1858, but the various engraving business associates retained some autonomy. The corporate partners that made up the new American Bank Note Company agreed to pool their activities and assets. Clearly, Toppan, Carpenter fulfilled their money obligations to Mr. Darley, but the artwork was finally executed in

Melville summarizes the positive associations of the color white, purity, chastity, and so forth. His rhapsody turns dark with the suggestion that something in the “innermost idea” of the hue that can strike “panic to the soul”.

“This elusive quality it is, which causes the thought of whiteness when divorced from more kindly associations, and coupled with any object terrible in itself, to heighten that terror to the furthest bounds. Witness the white bear of the poles, and the white shark of the tropics; what but their smooth, flaky whiteness makes them the transcendent horrors they are? That ghastly whiteness it is which imparts such an abhorrent mildness, even more loathsome than terrific, to the dumb gloating of their aspect. So that not the fierce-fanged tiger in his heraldic coat can so stagger courage as the white-shrouded bear or shark...”

Similar examples of whiteness and terror are cited by Melville, concluding with, “It cannot well be doubted, that the one visible quality in the aspect of the dead [corpse] which most appalls the gazer, is the marble pallor lingering there...”

Another allusion to the dread of white bears appears later in the chapter in an example of the terror of whiteness. In approaching a treacherous coast the mariner is “called from his hammock to view his ship sailing through a midnight sea of milky whiteness—as if from encircling headlands shoals of combed white bears were swimming round him, then he feels a silent, superstitious dread; a real ghost; in vain the lead [depth sounding line] assures him he is still off sounding; heart and helm they both go down; he never rests till blue water is under him again. Yet where is the mariner who will tell thee, ‘Sir, it was not so much the fear of striking hidden rocks, as the fear of that hideous whiteness that so stirred me?’”

In the mid-19<sup>th</sup> century, arctic exploration captured the attention of the public, perhaps in much the same degree that space exploration excited the world in the 20<sup>th</sup> century. The unknown frozen landscapes drew adventurers and naturalists. One such intrepid explorer was Navy physician Elisha Kent Kane (1820-1857). Dr. Kane’s adventures around the world make for



**Intrepid Dr. Elisha Kent Kane of the Arctic.**

interesting reading. Arctic trekkers were out of touch with civilization for years at a time. The public would await word of these “missing” explorers, until a message would filter back that they had arrived safely in some remote port. In our time, astronauts disappearing behind the moon or re-entering earth’s atmosphere were utterly cut off from communication. The public breathed a huge sigh of relief when radio contact returned. That must have been the same emotion, tension and release when the arctic heroes came back. Unfortunately, Kane’s health was ruined by the privations of his travels, leading to an early death.

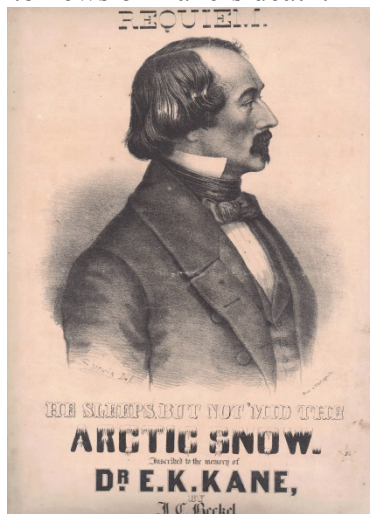
His journals and writings about his two Arctic expeditions (1850-1851 and 1853-1855) were published during his lifetime, and summarized and re-printed long afterwards. Nowhere does he mention men being attacked by a polar bear in open water. The only mentions of white bears altogether seem to be hunting and killing them for furs and meat and sport. Kane could tolerate the diet, but most of his compatriots preferred seal meat. He describes how many shots it required to bring down the beasts, and in a few cases, how the pitiful wounded bears tried to drag themselves out of



range. Foraging bears near camp were killed as a preventive measure, and nobody was injured in a bear attack. However, some of his Inuit associates had scars from bear bites. Kane had hunted big game in many lands, and he was also familiar with Kodiak and brown bears.

Upon his return to civilization in 1855, Dr. Kane embarked on a lecture tour. He appeared at scientific meetings and at public lecture halls. He was a handsome, charismatic figure...think of the Apollo astronauts. He had “the right stuff”, and his appearances and writings garnered much adulation. He was held up as a model for children. Many books and prints recounted his exploits. There were even published card games that centered on his adventures. The shock of his death in Cuba, early in 1857, right at the height of his fame and popularity, resulted in prolonged public mourning. Even memorial songs were published in his honor. The passage of his funeral train resulted in the largest outpourings of grief up to that time in the United States.

J.C. Beckel composed a requiem, “He Sleeps, But Not ‘Mid the Arctic Snow” in response to news of Kane’s death:



Ay! Open wide our noblest hall,  
And bid his cold form enter  
Where heroes gathered, and where all  
Our proudest memories centre.  
And toll the bell of state for him  
We would have died to save;  
But let no tears his triumph dim,  
Our beautiful, our brave!

**Kane’s early death brought an outpouring of grief from his adoring public. Songs, books and games immortalized him.**

One of the children’s card games, “The Game of Dr. Kane” was described in a series of articles in the Association of Game and Puzzle Collectors’ *Quarterly*, written by Linda Lapidés. In the third installment, she shows a page from an 1857 periodical *The*

*Child’s Paper* published by the American Tract Society. The illustration “The Walrus Hunt” shows men in a small boat killing walrus with hatchets and a spear. One of the animals appears to be trying to climb into the tipping boat. It is not an identical composition to “The White Bear”, but one could imagine the artist getting some inspiration from it for the vignette design.

The exact inspiration for the vignette of the bear attacking the men in the boat is not known. It has been suggested that Kane may have spiced up his lectures with such dramatic descriptions. The attack could have actually happened, but Kane’s writings omit it. Polar bears are not usually aggressive



**1857 print of walrus slaughter has similarities to Darley’s composition of the bear attack. Could this have been an inspiration for the vignette?**

attackers. Mothers will protect cubs, and cornered bears are dangerous. The men have no firearms, so the bear is presumably not wounded. This particular bear could have simply paddled away.



The last thing you see if a polar bear attacks.

An attack by a polar bear is unquestionably a fearsome thing. In the 1850s, the creatures were utterly alien to the public at home. The vignette is an artistic composition. Accuracy in the details is not as important as the dramatic effect. We may quibble that Kane's second expedition sailed in two brigs, whereas the ship in the far distance is 3-masted. It simply does not matter. Whether or not the episode happened, whether or not Kane embellished a lecture, no matter if the scene was an artist's conception—to the Arctic news-hungry public—it was exciting.

Having the choice, any kind of bear would probably choose a clear exit, in this case, merely by swimming away. If not injured, starving, surprised, cornered or protecting a cub, most wild animals of any species would avoid confrontation. Dr. Kristin Laidre, a research scientist at the Polar Science Center at the Applied Physics Laboratory of the University of Washington kindly rendered an opinion about the episode. She says of the scene, "I would say that it's unlikely a polar bear would attack a small open boat full of men if unprovoked, usually it would try to swim away since it's at a disadvantage. If the image represents something that actually happened, the bear was probably pursued or provoked by the men first." However, Dr. Laidre adds that the bears are certainly capable of stalking prey by lunging out of the water.

Collectors have a number of choices in seeking an example of this vignette. Circulated or proof Obsolete Currency, the vignette die, proof vignettes and bank note plates rest in various collections. All are scarce and moderately expensive, partly because of the popularity of the vignette.

The public attention to Arctic expeditions was such, that a dramatic image was desirable for the engraver's sample book. At least seven banks chose to display "The White Bear" on their currency. The bank notes known to me are the \$1.00 from the St. Stephen's Bank in New Brunswick, Canada (Pick S1413 & S1419, Charlton 675-18-02, 675-20-04-06), \$3.00 from the Continental Bank of Boston, Massachusetts (Haxby MA160-G6a), \$3.00 from the Falmouth



St. Stephen's Bank in New Brunswick, Canada decorated their \$1 bank note with the bear vignette.



Boston's Continental Bank used the bear on their \$3 notes, often found as remainders.



Bank of Massachusetts (Haxby MA595-G60a, proof pictured in Haxby), \$20 from the Mechanics Bank of Newburyport, Massachusetts (MA905-G88a, impaired proof pictured in Schingoethe/Smyth auction part 5), \$50.00 from the Union Bank of Tennessee in Nashville (Haxby TN210-G228a), \$1.00 from the Bank of Germantown, Pennsylvania (Haxby PA150-G8a), and the \$20.00 note of the Hingham Bank in Massachusetts (Haxby MA685-G72a).



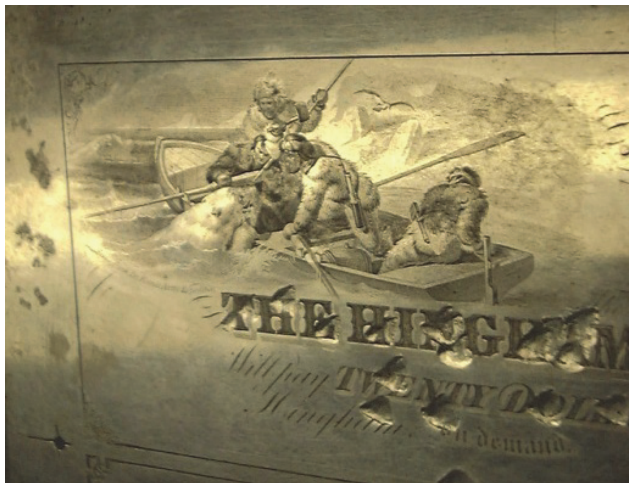
Nashville, Tennessee is a rather non-maritime location for the Arctic vignette. ABNCo. distributed these modern photographic “proofs” from the original \$50 plate.



The Bank of Germantown, Philadelphia issued an attractive \$1 note, mostly found well-circulated.

The steel vignette die brought a large amount in one of the American Bank Note Company archives auctions. American Bank Note Company proof vignette #50 features an 1860 copyright line in tiny lettering under the picture. A so-called “proprietary proof” of the Nashville note was made from a digital image of the extant steel plate by the American Bank Note Company, as part of a subscription series of collectibles two decades ago. I am not aware that this \$50 plate has appeared at auction.

No extant \$20 notes are apparently known from Hingham, Massachusetts, but the bank was in possession of a canceled 2-subject steel plate. The large polar bear vignette is marred very little by a hammer dent. Under the vignette, the micro lettering reads, “Scene from Dr. Kane’s Arctic Expedition.” Another interesting addition to this bank note plate is the Bank’s copyright line at the bottom margin of each note. The Hingham Bank registered a copyright on the note designs in 1860. In another seldom-seen detail, the American Bank Note Company added the word “Boston” to their imprint.



Canceled plate for the Hingham, Massachusetts \$20-\$50 notes. (Image reversed) The prized vignette was scarcely marred.

Many explorers dared to go into Arctic regions. They brought back stories of the fascinating adaptations of the Inuit, and they described the icy ecology as best they could. The public in the Temperate Zone marveled at the tales, seemingly describing a distinct other world. Although the vignette of “The White Bear” seems to be an odd choice for a



currency design, it was meaningful to those who saw it in the 1860s. The fierce polar bear was absolutely alien to the civilized world. It was a sensational news topic that made its way to circulating currency. It matters little whether or not the event actually happened. The bank note company was correct in thinking that the vignette had possibilities. It continues to fascinate us today.

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# Mysterious Series of 1935 \$1 Back Plate 2

by Jamie Yakes

Series of 1935 \$1 back plate 2 is a numismatic curiosity and genuine anomaly. The Bureau of Engraving and Printing certified it as the first 1935 back on August 9, 1935. It was sent to press for a short period that August, but then not again until 1938.

No back 2 notes are known from the first press run. Those would be mated to Series of 1935 faces and have A-A serials. Back 2 is actually found mated with Series of 1935A faces and numbered with R-A, S-A, and T-A serial numbers, all of which date from 1938. The three-year gap between the 1935 and 1938 press runs was highly unusual for a \$1 back plate, and caused this low serial-numbered plate to be mixed among plates with serials in the high 700s.



**Fig. 1. Proof impression of 12-subject \$1 back plate serial 2. (From the National Numismatic Collection courtesy of Peter Huntoon.)**

I just discovered that the press runs for back 2 were virtually identical to those for Series of 1935 \$1 plate face 2<sup>1</sup>—a fact that I conclude was no coincidence. Face 2 was a true oddity profiled by Huntoon and Yakes.<sup>2</sup>

## New \$1 Face and Back Designs

The revamped Series of 1935 \$1 silver certificate design accomplished two primary objectives. It allowed for overprinting of the treasury officers' signatures, and displayed a new back design incorporating the Great Seal of the United States. The request for the use of the Great Seal came directly from President Franklin D. Roosevelt.<sup>3</sup>

Treasury signatures were part of the generic intaglio \$1 face designs prior to 1935. Consequently, when treasury officials changed, the BEP was left with an inventory of plates with obsolete signatures. They continued to use those plates until they wore out, often mixing them on the same press with new plates bearing current signatures. Sometimes they even canceled large numbers of the obsolete plates if there was a surfeit of them, a very wasteful practice.

The BEP had successfully overprinted bank-specific information on Series of 1929 national bank notes and Federal Reserve bank notes, so management desired to implement the same technology on the higher-volume type notes. The overhaul began with the \$1 SCs in 1935, and was extended to the other classes and denominations in the Series of 1950 and 1953, rendering considerable efficiencies.

## The First 1935 \$1 Plates

Regular production of 1935 backs began on August 19, 1935, and that of regular face printings on October 9. A hurried design change on the faces caused the long delay for those printings.

Initially, the BEP intended to overprint both the officers' signatures and the titles of the treasury officers. The first twelve Series of 1935 faces--plates 1-11 and 14--were certified without officers' titles or signatures from August 9-23, 1935. Plates 12 and 13 weren't finished until October.

It was quickly determined that omitting the titles from the face plates was impractical, so they were incorporated as engraved items starting with face 17 on September 20, 1935.

The first faces, excluding face 2, were then altered between September 10 and October 21 to include the titles. They were pressed into service along with other new \$1 faces starting in October.

### The First \$1 SC 1935 Press Run

There was a special press run from August 9-12, 1935 involving only back 2 and face 2 that occurred prior to the production runs that began a week later. Both plates were the first of their kind to be certified, both on August 9.

Only 841 sheets were printed during that press run. The decision was then made to add the officers' titles to the face plates. The entire printing of 841 sheets was marked as experimental and delivered to the Division of Loans and Currency for destruction. Serial A00000001A wasn't printed until November 19, 1935, from later printings of new sheets.

You won't find any face 2-back 2 notes with A-A serials because none survived to be numbered!

### The Fates of Face 2 and Back 2

Here is where this story really gets interesting and bizarre. Immediately following the special three-day press run in August 1935, face 2 was placed on display in the lobby of the Treasury building where it remained for nearly three years until the display was dismantled on April 7, 1938. It was then returned to the plate vault inventory.

The joker in the deck was that during its time in the press room face 2 had avoided being altered to include the all-important officers' titles!

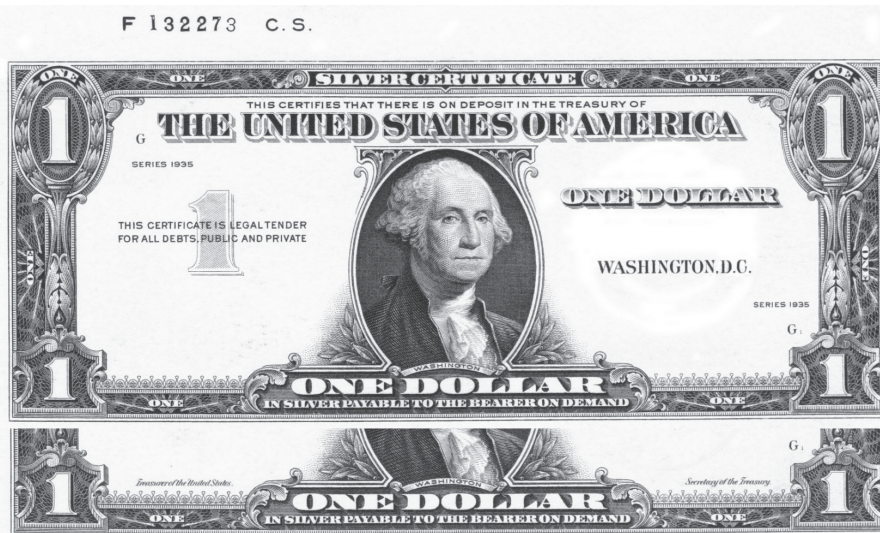


Fig. 2. The top impression is 12-subject \$1 back plate serial 1 as originally certified on August 15, 1935, without officer's titles. It was sent to press from September 7-9, but none of those sheets were numbered. It was then pulled from service on September 10, altered to have titles as shown in the bottom impression, and recertified on October 18, 1935. (From the National Numismatic Collection courtesy of Peter Huntoon.)

It was sent to press with three other face plates from April 25-28, 1938, where it produced 1,464 sheets. Someone in the numbering division then spotted the omitted officers' titles. The sheets from plate 2 were fished from the production stream, and the plate was canceled on May 2.

This much we already knew from a report on the matter prepared for BEP Director Alvin W. Hall detailing the snafu that is reproduced in Huntoon and Yakes.<sup>4</sup> What we missed in 2011,



because it wasn't spelled out in the report, was that back plate 2 also was part of the display in the Treasury lobby!

Of course the Treasury included both a face and back plate: Both were plate 2, both were the first ones finished, and the Treasury wanted to show off both! There was actually more news in the back plate than the face owing to the use of the Great Seal of the United States!

I finally put this together when I found that usage patterns for both back 2 and face 2 paced each other. The giveaway was the three-year lag from 1935 until both were again sent to press in 1938!

There was nothing wrong with back 2 so it was simply rotated into service until it wore out. Its first press run lasted from April 11-June 1, 1938; the second from June 10-30; and the final from July 7-October 24. It was canceled October 25, 1938 (table 1).

Impressions were fine so they got mated with then-current Series of 1935A faces, which were numbered in the Q-A, R-A, S-A and T-A serial blocks. Macro 1935A faces had been on press since January 6, 1938, so plenty were around in April to be used.



**Fig. 3. Series of 1935A \$1 silver certificate bearing serial number S7040010A, and printed from face plate 548 and back plate 2. (Courtesy of Jim Hodgson.)**

### Other Possibilities and Changeovers

Some Series of 1935 \$1 micro face plates saw service until August 21, 1938. However, 1935 faces were relegated to separate presses from 1935A faces because the 1935A sheets required series dates be overprinted on them as well as the signatures. The 1935 sheets already had imprinted series dates from the intaglio printings.

The absence of 1935 back 2 non-mules strongly hints that all back 2 sheets were routed to pressed with 1935A faces. This is speculation, and will hold up only as long as no Series of 1935 back 2 non-mules turn up.

Back 2 was used alongside other \$1 micro backs and \$1 macro backs. Thus, back 2 mule and non-mule changeover pairs are possible. An interesting non-mule pair is known: 1935A non-mule, S11556828A, F590/772; and 1935A non-mule, S11556829A, A630/2. That jewel was once owned by small-size silver certificate specialist David Schlingman.

The \$1 notes numbered during the period when back 2 was on press were N-A to U-A (table 2). The reported specimens fall in the middle of this range. Some back 2 sheets may have reached the numbering division early enough to receive N-A or P-A serials. Some also may have hung around long enough to get U-A serials. Keep your eyes open!

**Table 1. Timeline of Series of 1935 \$1 back plate 2**

|                                                                        |                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| August 5, 1935                                                         | Production started.                                                                                                                                                                                                                   |
| August 9, 1935                                                         | Certified as a production plate.                                                                                                                                                                                                      |
| August 9-12, 1935                                                      | First press run: 841 sheets printed, all mated with \$1 1935 face 2. All sheets unnumbered and destroyed.                                                                                                                             |
| August 12, 1935-April 7, 1938                                          | Displayed with face 2 in the Treasury building lobby.                                                                                                                                                                                 |
| April 11-June 1, 1938;<br>June 10-30, 1938;<br>July 7-October 24, 1938 | Actual production runs. Paired on press with micro and macro \$1 back plates. Mated with \$1 1935A faces and possibly 1935 faces. Sheets routed to numbering division for numbering with N-A to U-A serials (R-A, S-A, T-A reported). |
| October 25, 1938                                                       | Canceled.                                                                                                                                                                                                                             |

**Table 2. \$1 Serial Blocks Numbered between April 11-October 24, 1938.**

| Block | Numbered                           |
|-------|------------------------------------|
| N-A   | March 8-May 4                      |
| P-A   | April 28-June 23                   |
| Q-A*  | June 15-August 8                   |
| R-A*  | August 1-September 16              |
| S-A*  | September 8-October 21             |
| T-A*  | October 18-November 28             |
| U-A   | November 28, 1938-January 12, 1939 |

\*Back 2 notes are reported from these serial blocks.

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# U n c o u p l e d :



**Joseph E. Boling**

## ***Paper Money's Odd Couple***



**Fred Schwan**

### **Some Philippine Oddities**

A couple months ago one of the Spink New York auctions had a lot described as “Japan. Trio of better Invasion/Occupation Currency.” No photograph was provided, but the notes were viewable on the website. Actually, I don’t remember whether all three were viewable, but the key piece was. It is illustrated below. (The other two pieces were Oceania JIM notes worth \$20-30 each.)



The key piece is one of the classic rarities in the Japanese Invasion Money (JIM) series—known to collectors as the 100 peso PV. It is the low denomination of a pair  
**Boling continued on page 222.**

### ***Memphis.***

For an old time collector, to hear the word is to feel excitement, to have the heart skip a beat. The thought of Memphis stirs memories of notes found, deals made, and chances missed. It also stirs memories of barbequed ribs and hot summer days. Most of all it stirs memories of friends and friendships. I am certainly one of those old-time collectors, and have all of those memories and more. At this time of year I always think of Memphis past while preparing for Memphis next.

To me, Memphis I in 1977 does not seem like the distant past. It does not seem like yesterday, but it does not seem like more than thirty-five years ago. It is obvious that Memphis has been an important and successful show. It is the show of shows, but that was not so obvious in 1977.

There had been talk of a paper-money-only show for at least several years. The biggest advocate was Mike Crabb with the Memphis Coin Club. Mike had traveled around the country to major coin shows promoting the idea. He was not promoting a show in Memphis. He was promoting the idea. He believed that the time was right and that some national organization should sponsor such a show. He and the Memphis Coin Club were willing to help. Just about everyone loved the idea. It stirred the imagination, but everyone also hemmed and hawed when it came to financial sponsorship.



Finally, Mike and the club said “Enough, already; we will do it!” Success was by no means certain. To hedge their bets, the club had rented the hall (Holiday Inn Rivermont) for Saturday and Sunday only. Two weeks before the show, I was at the Central States Numismatic Society convention. In those days, CSNS was one of the big shows for paper money! Of course that was because there were no paper money shows. I do not remember where the convention was held, but I remember that the topic of discussion for rag pickers was Memphis. In particular I remember sitting at the table of Ted Uhl with several other collectors. Ted was a leading dealer in world paper money—there were only a few such dealers. We were all excited because Memphis was only a week or two away.

Ted had the opposite view. He predicted that Memphis would be a bust. He was not taking a table or even going.

Well, Ted was at Memphis II and at every Memphis until he died at a competing paper money show. I suspect that as the years went on Ted forgot that he had not been at Memphis I. He certainly forgot that he had predicted failure.

I flew to Memphis I. On the connecting flight from Chicago I bumped into Wendell Wolka. I did not know Wendell well, but we shared our excitement on the flight. Since then we have become much better friends and we frequently mention that flight. For my part, I am delighted that he remembers. He is my witness that I was at Memphis I.

Speaking of Memphis II, I have a great personal story. Gene Hessler and I had worked hard to release his *U.S. Essay, Proof and Specimen Notes* (first edition) at the show. I lived in Bowling Green, Ohio (south of Toledo) at the time. The book was being printed in Ann Arbor, Michigan (north of Toledo) and I would fly out of Detroit, only a few miles from Ann Arbor. The plan was perfect. Drive to Ann Arbor, pick up books, back to Detroit, and fly to Memphis. The books were finished, the time table double checked, the car in top condition. What could go wrong?

My then girlfriend, Judy, and I departed exactly on schedule. Picked up the books and made it to the airport exactly on schedule. I parked the car at departures for unloading. Carload of books, suitcase, briefcase (no laptop in those days), everything was in order.

Inside the terminal Judy was to stand in line while I parked the car. Then she said “Where is the clothes bag?” Check the cart. Check the trunk. Check the back seat. No clothes bag. Check everything again. Same result. Then she triple checks. Still no bag.

How could I be so stupid, she wanted to know? Where is the bag and how could I be so stupid? Finally, I interrupt and tell her that she must decide if she is going to Memphis with me or back to Bowling Green, because time is short. I have to park the car and she has to get the boarding passes, or she could take the car home and I would take the plane. She did not answer, but did not head for the car, so I did.

I got lucky, sort of. The car was gone. It had been towed away while we “discussed” the clothes bag. Good, I did not have to park the car. I would worry about it on Sunday.

On the flight everyone learned about my stupidity as Judy further explained it to me, but we arrived in good order.

Books yes; clothes no. Even that worked out. I gave Judy my credit card and told her to have fun shopping because I was going to have fun with the new books. I think that she did. I know that I did.

Back in Detroit the car was not too much of a problem, and we were home in plenty of time for work on Monday. There was only one problem. The clothes bag was not in the apartment where I assumed it had been left.

I thought that the clothes bag was history, but not Judy. She ran a classified ad in the local newspaper asking for its return. Fat chance, right? I was wrong again. Within a few hours of the ad appearing she received a call. The bag had been rescued from the street only a block from the apartment. I had placed it on top of the car while I completed packing the car, then drove off without moving it.

There must be a moral to the story. I can think of many, but the longest lasting has been that Judy packs the car.

**Boling continued.**

of designs prepared late in the war and printed in the Philippines rather than in Japan or Djakarta. The 1000 peso denomination of this pair is quite common—so common that nobody has ever counterfeited it (to my knowledge), and I therefore do not have one in my current counterfeit-oriented collection.

What I immediately did, once the image appeared on the Spink site, was compare it to the 35mm slide that I had made in June 1980 of Dwight Musser's piece when he brought it to Memphis (below). The Spink



piece was decidedly washed out compared to Musser's, and it was hand cut from a sheet. But the key element I liked was the presence of the light green tint on the face—an element that would not be easy to replicate. The estimate on the lot was \$90-120. I hoped that nobody else would notice it. I was ready to go to \$2000 without a qualm. When the dust settled, I had won it for \$5750 (plus the tiered buyer's fee—the first time I had spent enough on a Spink lot to reach the break where the fee drops from 20% to 15%).

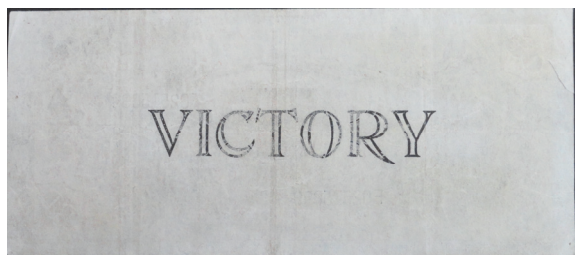
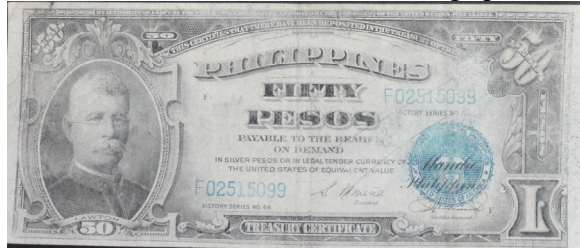
Is it worth that? Is any piece of JIM worth that? At MPCFest a few weeks later,

we added up the known pieces. They came to perhaps four, no more than six. Musser's piece is in a Midwest collection now. There is a piece in a Tokyo museum. C.M. Nielsen's piece went with his holdings to Ray Czahor—I don't know whether Ray has sold it. At the Boston ANA in 1982, Fred and I were standing at his table when someone walked up and waved one at us in passing—I don't remember who had it (it was not anyone I knew well), and I certainly don't know where it is now. In 1983 Mel Steinberg offered me one by mail—I never received the letter, and he sold it elsewhere. The piece Spink sold could be one of those 1982-83 pieces—and they could be the same piece themselves. So we sit at four to six known, with a good possibility that four is the real number. So back to—is it worth it? At least two bidders thought so, and I have since passed the note to another collector who feels the same.

Why do they exist in a single-digit quantity? By the time these were prepared in 1944, the value of the JIM peso was so low that it was not economical to print a 100 peso note. They were never placed in production, let alone into circulation. Only the 1000-peso denomination was used. Serious collectors know that the earliest issues of the 1000-peso note have a remarkably different appearance from the more common late-issue pieces. As materials became scarce, the printers used a different shade of ink for the face, and then diluted the ink with solvent to extend it—leading to conspicuous soaking of the face ink through to the back. I used to have a few of the no-soaking pieces, and wish I had one at hand so I could compare the paper used with the paper of the 100-peso note just acquired. Eventually I want to do that. And if it turns out that this newly-acquired piece is a recently made concoction for the collector market, I will happily buy it back for my counterfeit collection.

Turning to a different series, when Fred

and I started writing this column, our first effort included information about rare and replica pieces of the US-produced Series 66 liberation notes for the Philippines—the ones with VICTORY printed on their backs. Two years ago at Memphis a 50-peso note with *only* VICTORY on its back was presented to me for examination. The question was—is it a true error, or is it a doctored piece? Photos of that note are shown below. It's a sad-looking piece—



washed and damaged on the face, and pallid on the back, with a half-inch tear at one corner. Some illegible graffiti has been mostly erased from the right end of the face, and the overprint on the back is splotchy.

It's that aspect of the back overprint that serves to authenticate the note. The overprint is splotchy because the intaglio embossing of the back is exceptionally strong—an artifact of there having been no ink on the plate when it contacted the paper. Ink is incompressible, so if the plate is normally inked, whatever embossing occurs happens despite the presence of the ink filling the grooves in the printing plate. But if there is no ink present, the high pressure of the intaglio process can really push the paper into the grooves in the plate, leaving very high ridges where the ink should be. When the black VICTORY overprint was then applied to this piece, the embossing was so high that the black letterpress ink did

not make full contact, leaving all manner of curls and lines visible in the overprint where the embossing held it away from the normal plane of the paper. I regret that I don't have 20x images of these artifacts, which are actually visible to the naked eye. Illustrated below, the extent of engraved surface under the overprint can be seen, and one can almost make out those designs in the overprint on the note lacking the red ink on its back.



So now you are asking—where's the fake? Boling always shows something phony in his column. Behold—a VICTORY overprint that isn't legitimate (above). When



the prewar notes were withdrawn after the war, but the Victory series was left circulating, enterprising folks put the overprint on the backs of notes that preceded the Series 66—figuring that if they presented the notes back-up, with the false overprint showing, they would be accepted. Seems to have worked—the pieces I have seen with these bad overprints are mostly heavily circulated. This is a Series 1937 20 peso note with a hand-drawn VICTORY “overprint.”

Sorry, the stories about traveling with Fred that I implied might be forthcoming this month will have to wait.



# Small Notes

by Jamie Yakes

## *New Jersey Toll Scrip*

The Garden State Parkway, New Jersey Turnpike, and the Atlantic City Expressway are three major highways that transverse New Jersey. A local joke says you can direct someone to your house just by telling what exit to take off one of those roads.

All three roads were constructed and opened to traffic in various phases in the 1940s-60s, during the building boom that spread across the United States in the decades following the Second World War.

The Garden State Parkway was constructed from 1946-57, and relieved congestion in northern communities for commercial and commuting traffic, and also provided a less congested route for recreational traffic traveling to shore communities.

The road extends from the New York state border, near Montvale, Passaic County, and continues south through the extreme eastern part of the state before it terminates just north of the Cape May Canal in Cape May County.

The entire New Jersey Turnpike was built in 1951. Like the Parkway, it helped relieve congestion on what were then the major state highways, such as U.S. routes 1, 9, 130, and 206.

The Turnpike extends from the Delaware Memorial Bridge, in Pennsville Township, Salem County in the southwestern part of the state, to the George Washington Bridge, near Fort Lee, Bergen County in the northeast. The northern section from Trenton to Fort Lee parallels as U.S. Interstate 95.

The Parkway and Turnpike intersect once, at exits 129 on the Parkway and 11 on the Turnpike, in Woodbridge Township, Middlesex County.

Work on the Atlantic City Expressway was completed from 1962-65. It connected the Philadelphia metropolitan area and surrounding suburbs with Atlantic City and other southern shore resort towns.

The Expressway begins from State Route 42, near Washington Township, Gloucester County, and ends just west of the strip in Atlantic City. It intersects with the Parkway in Egg Harbor Township, Atlantic County, at exits 7 on the Expressway and 38 on the Parkway. The Expressway and Turnpike don't intersect.

The numismatic connection to these roads, of course, are tolls. Drivers must pay to transit nearly any distance of these highways. Cash is still accepted, though electronic payment methods are increasingly becoming more convenient. The use of metal, plastic, or paper tokens or scrip is ended.

I've traveled these highways extensively, and have a great interest in the paper scrip shown here (see figure). Unfortunately, I haven't been able to find much information about any of them.

The Parkway and Expressway scrip appear to be typical paper tokens issued for use by buses and passenger cars. I'm in dire need of more information on these.

I know most about Turnpike scrip. From the issue dates and overprints I've seen, these scrip were issued from the 1950s-80s, and apparently used exclusively by military vehicles.

Numerous companies, including the well-known map printer Rand McNally and Co., printed this scrip in denominations of 5, 10, 25, and 50 cents, and \$1.

Hopefully, my readers can provide information about these scrip, or possible leads to reliable sources. If you can help, contact me at [fivedollarguy@optonline.net](mailto:fivedollarguy@optonline.net). Or, if you happen to be traveling in New Jersey, hop on the Parkway and make your way to exit 98.



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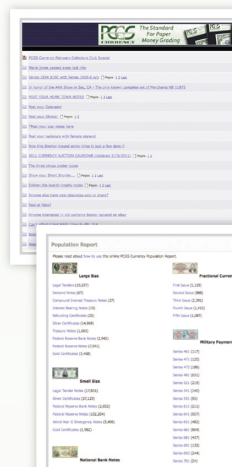
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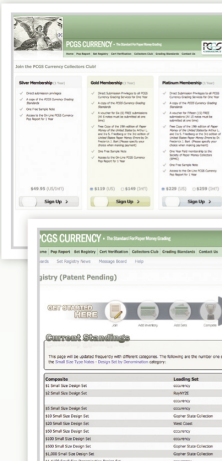


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# *The Obsolete Corner*

## Short-Lived, but What a History

By Robert Gill

Before we look at the obsolete sheet from my collection that I've chosen for this issue of *Paper Money*, I want our members to know that I will be putting on a large display in this year's show in Memphis. I will be showing 70 cases of obsolete sheets for paper enthusiasts to enjoy. Most of the sheets will be ones that the average collector may not have seen before, and a couple that maybe even most advanced collectors have not had the pleasure of laying eyes on. It will be my first time to be at the Memphis show, and I know that I will thoroughly enjoy the experience.

I've chosen for my subject a recent addition to my large obsolete sheet collection. And that sheet, which is thought by some to be unique, is on the business of Seth Paine & Co. And what a history this short-lived company had!!

In the early to middle 1800s, illegal currency was rampant in Illinois, as it was in many parts of the country. In many cases, illegal currency was accepted just as often as legal currency. It was a never ending battle for banks to contend with. And according to R. Edward Davis, in his book *Early Illinois Paper Money*, "Into this warfare stepped Seth Paine & Co., when it opened The Bank of Chicago on September 1, 1852".

Seth Paine was a native of New England. He arrived in Chicago by boat in 1834. When he landed he was without a cent of capital, having paid his last dollar for his fare on the boat. We are told he was a tall and straight man with a pleasing, preposing manner. He was an excellent conversationalist and a fine public speaker. He hired out to the firm of Taylor & Breese, and in short time became a partner in the firm. Later he went into partnership with Theron Norton under the name of Paine & Norton. He sold out to Norton in 1842.

During his early years in Chicago he became a serious abolitionist and a follower of socialistic doctrines. When he sold out to Norton he went into Lake County and bought, with a number of others, a large tract of Land at Lake Zurich to try out some of his socialistic ideas. After a time he was one of the directors and a manager of the unchartered Illinois River Bank at La Salle.

Around this time he became an ardent spiritualist. His type of mind was such that he accepted every "ism" that came along. To him the world was sadly out of joint, and he looked at himself as the one to set it right. The chaotic state of the banking business was such that he decided to return to Chicago and teach his old business associates how banking could be carried on in accordance with a higher law than the banking law of Illinois.

Paine opened his new business under the name of Seth Paine & Co., and thru it he founded The Bank of Chicago. The prospectus of the new bank, written by Paine himself, stated several principals: "We loan to no one to pay debts. We loan to no one to aid in the murder of anything which has life. We loan to no man to speculate in the necessities of life. We loan nothing on real estate, believing that it cannot be bought or

sold. Possession with use is the only title to it. We loan nothing to aid in the manufacture or sale of liquor or tobacco. We loan nothing to gamblers or money lenders. Our basis for making loans is the established character of the borrower. He must be temperate, honest and religious, with a mind sufficiently developed to understand business."

For a few weeks the bank did quite a business with a class of respectable citizens who approved the sentiments in the prospectus. Paine and Ira B. Eddy, his partner, were very strong spiritualists, and they began to bring spiritualism into the management of the bank. A trance medium named Mrs. Herrick was brought in the bank to give the officers the advice of departed spirits. The spirit of Alexander Hamilton, thru Mrs. Herrick, was to direct the policy of the bank. If a person came in to do business, and Mrs. Herrick or the spirits did not approve of him, he was unceremoniously thrown out into the streets by some burly bouncers kept for that purpose. No smokers, drinkers or bankers were to be served. Women, children, Negroes and spiritually minded men were to be served in that order. During this time Paine published a little paper called *The Christian Banker*. The articles were rambling discourses, witty and sarcastic, containing a mixture of banking, spiritualism, and personal attacks on his enemies that made many think he was crazy.

Ira B. Eddy had put most of the investment into the bank. When his friends saw how the business was being conducted, they had him adjudged insane, and had an injunction served to protect Mr. Eddy's interest in the bank. This caused a run on the bank. Paine and Mrs. Herrick stood behind the counter to redeem the bills that had been issued. Several prominent citizens who could not satisfy the spirits of the justness of their claims were unduly hustled out and thrown into the street!

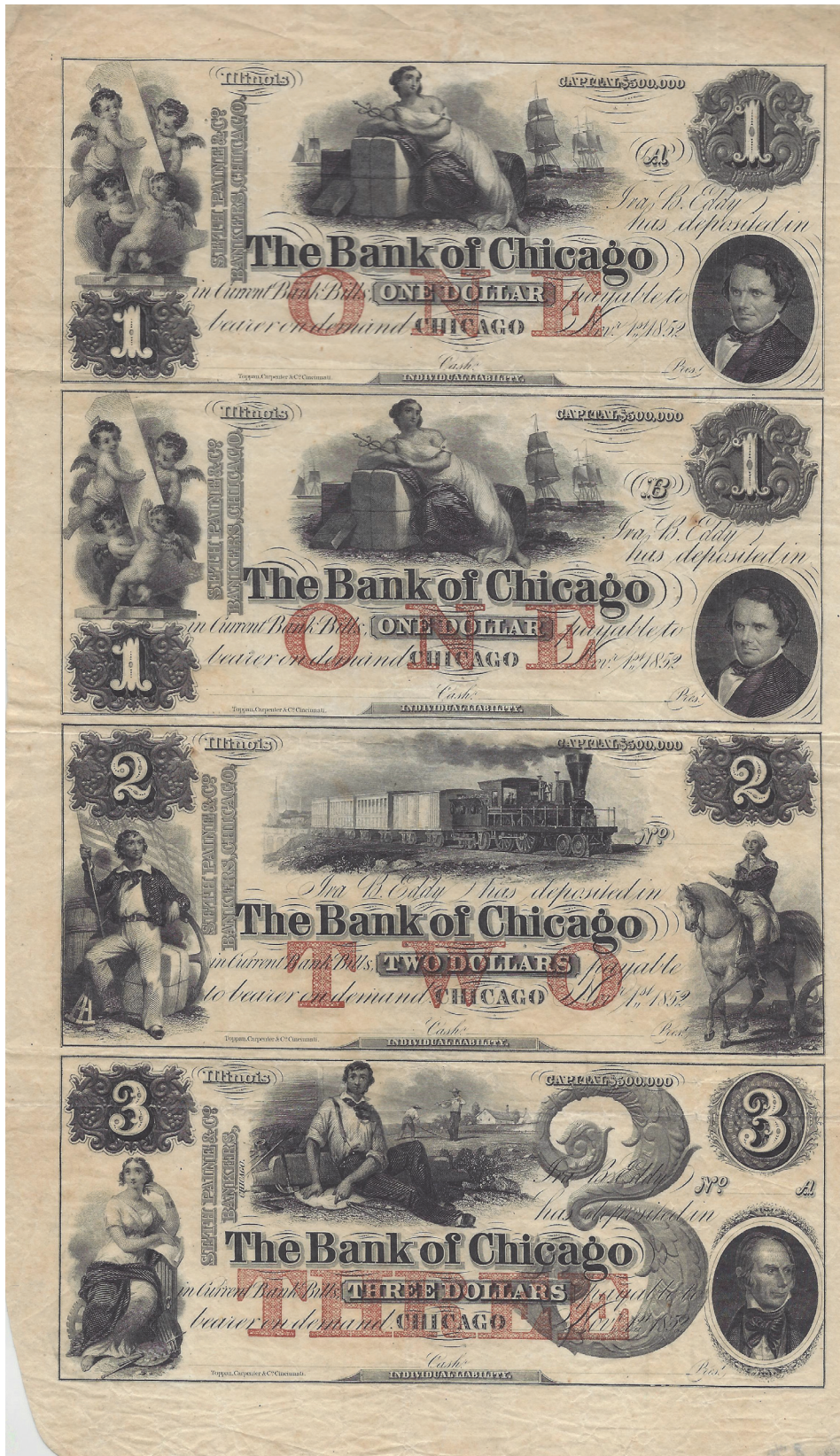
With these actions things began to come to a head. The conservator of Eddy's estate tried to take over the affairs of the bank, and he met with threats of shooting. Finally the whole corps of the bank -- officers, mediums, bouncers and all -- were arrested and tried. A few were discharged, and all the rest, except Mrs. Herrick, were released under peace bonds. She was kept in jail for resisting officers' arrest.

With the removal of Eddy's money the bank was so badly crippled that it soon went out of business. Every note that was presented was paid by Paine or Eddy's conservator. The bank, as bizarre as was its existence, was neither dishonored or insolvent.

After the closing of the bank Paine returned to Lake Zurich, where he tried many of his schemes. He established a school on his farm called "The Stable of Humanity", which he managed for several years. In 1868 he returned to Chicago and established "The Women's Home". The purpose of this establishment was to provide respectable women a comfortable home at a moderate price. This he operated for about three years. He died in Chicago in 1871.

While Seth Paine's excursion into banking was short lived, he furnished the history of banking in Chicago with one of the most colorful figures it has ever seen.

In closing, as I always do, I'd like to invite any comments to my personal email address... [robertgill@cablone.net](mailto:robertgill@cablone.net) Until next time, HAPPY COLLECTING, and I hope to see you in Memphis!





## Grading the Third-Party Graders

In their more academic forms, the hobbies of currency and coin collecting usually shade into disciplines like history or archeology, for which metal and paper monies represent so many talismans of the past. Less often do those collecting activities themselves become the object of scholarly analysis. One recent example, published by Professor John M.



### **Chump Change**

Loren Gatch

Cobin through the Cato Institute\*, treats a topic that has transformed the collecting world and yet which still provokes controversy: the rise of

Third-Party Grading (TPG) services.

As befits a free-market publication, Cobin argues here that TPGs have benefited collectors by addressing certain information problems that make transactions difficult. Sellers of a numismatic item may know more about it than do potential buyers, and the latter know this. Alternately, buyers and sellers looking at the same item may grade it differently to their own advantages. Finally, questions about an item's genuineness may cast a shadow over its salability. By interposing their reputations for integrity and expertise between buyers and sellers, TPGs make the collecting market more transparent and efficient. For their part, TPGs compete to maintain their credibility lest they lose grading business to rival firms. Thanks to private grading services, Cobin avers, numismatic markets are more liquid and fair than they would otherwise be. Indeed, to the extent that graded items command a premium over identical "raw" material, TPGs seem to serve the interests of both sellers and buyers in minimizing the uncertainty and subjectivity that grading inevitably entails.

While Cobin confines his analysis to coin slabbing, his remarks seem equally pertinent to currency. The market for graded notes has evolved towards the same duopolistic structure that has appeared for coins, with two major grading firms dominating the business (with one firm active in both markets), followed by a number of smaller also-rans. Both coin and note markets use an adaptation of the Sheldon (1-70) scale, and (what I find interesting) in both cases the major hobby societies have proven rather unsuccessful in promoting their own grading standards and services, even though, as Tom Delorey recounted recently in *CoinWeek*, third-party coin grading first evolved out of the certification services offered by ANACS beginning in 1972.

To Cobin, TPGs' successes show that private markets can regulate themselves, though the attitude of collectors on the ground is more nuanced. In a recent and marvelous discussion thread on the *IBNS Forum*, collectors have been registering their deep ambivalence about the rise of TPGs. While the firms are now "part of the collecting landscape", opinion about them is all over the map (the following quotes are a pastiche of different postings). Some rue the inconsistencies between the two major currency grading firms—"competing grading services will hurt, not help, the paper money hobby"—and would prefer a single standard defined by the IBNS. Still, as one poster concluded, "TPGs...provide a safety check on overgrading dealers and a safety net for inexperienced collectors..."

Sceptics focus not on grading inconsistencies, but on the effects of TPG services on the hobby itself. To them, TPGs diminish grading competence, since they "remove grading out of the hands of collectors, and into the hands of paid services." The rise of TPGs may thus be a symptom of, rather than a solution to, a problem. Moreover, the proliferation of numerical grades "imply a precision that isn't there", thus encouraging a "commoditized market" in banknotes. Above all, everybody seems to agree that it is just more satisfying to physically hold their treasures than merely to gaze at them through cold plastic.

Collectors are forever counseled to buy the coin [or banknote], not the slab. Yet to the extent that TPG services offer their customers any value added, this depends precisely upon such advice *not* being followed. If grading were routine and unproblematic, then TPGs would be otiose. As one collector complained, "if you know how to grade, then you don't *need* to rely upon the dealer's grade; you look at the note yourself." On the other hand, if grading were a difficult, subjective or even occult brew of paper quality and 'eye appeal', then buying the slab makes eminent sense, whatever old timers may say.

TPGs are here to stay. But their evolving role will depend upon what we mean by grading, and how tolerant we will be towards collector ignorance (TPGs also authenticate, an indispensable if secondary service). Seeing their effects on the coin market, the cynic in me expects TPGs to slice up mint states (MS 60-70) into ever-smaller increments, monetizing infinitesimals into ever-higher prices and further transforming a hobbyist's love into an investor's portfolio. Yes, it's a free market, but I'm not liking the store quite as much as I used to.

\* "Rare Coin Grading: A Case of Market-Based Regulation" *Cato Journal* 34 (Fall 2014): 597-630.



## Editor Sez

### Memphis

Ahhhh. That one little word that resonates joy and real reasons for living in die-hard collectors like me. It is synonymous with what most “normal” people call a wonderful vacation! This will be my 31<sup>st</sup> consecutive Memphis and each one is met with almost childlike anticipation. This year will be no different. There will be a large and wonderful bourse full of dealers with all things paper. Auctions, grading, selling and buying will be the words of the days (not to mention the ribs). Mart Delger and Bob Moon will have a great exhibit area in place with some truly wonderful and educational showings. Peter Huntoon has put together a great group of speakers that will provide information and research throughout the two days. Clubs will be meeting and parties held! What could be better than a weekend on the banks of the “Big Muddy” with a few friends?! **Come join us!!**

I would like to invite all of you who will be in attendance to join us at 730a on Friday at the Crowne Plaza, just next door to the Sheraton for the annual SPMC breakfast featuring the Tom Bain raffle and the SPMC award ceremony. As always, this will be emceed by the ever entertaining and affable Wendell Wolka. Now that is a man that knows how to keep an audience enthralled. Where else do you look forward to getting a Zimbabwe one hundred trillion dollar note for 20X cost? If you want to donate (think tax credit here), just let me or one of the board of governors know and we will pick it up Thursday at dealer set up.

Also, the SPMC is planning (details to follow) to unveil its Obsolete Database project in more detail at the show. This is a very ambitious project that will truly take not only a village, but a whole world to accomplish. It is very exciting, so be on the lookout for upcoming details.

I am now really into the publishing mode and feel very comfortable converting your articles into true works of art for the magazine. However, I am finding that I am lacking in saving your emails (usually with an article attached) and/or responding to them. Please don’t hesitate to ask me multiple times if I got it. Also, don’t send me things that go into a drop box without asking me first. Why—simply put, I have been hacked a couple of times and so I don’t normally open attachments unless I am very confident they are safe.

Speaking of articles, we have a nice bank of articles waiting, but please continue to write and send more to me. Any paper related article is welcome and I promise to look at them all and probably publish it. Very few that are sent are not publishable and are usually not of a topic suitable for our magazine. I am happy to help you convert words into an article if you need. I especially need small to medium size articles (2-5 pages). Also, non-mainstream articles are greatly welcomed such as checks, stocks, etc. as well as world, large size, colonial, just anything paper (almost).

I want to alert everyone that the July/August edition of Paper Money will be arriving in your mailboxes a little later than usual. I want to include as much information/happenings from Memphis as I can so any who cannot attend, don’t have to wait two months to find out what happened. My plan is to send it to the printer the day after Memphis so you should receive it about a week to ten days late.

*Benny*

Texting and Driving—It can wait!



## President's Column May/June 2015

We are in the final stages of planning for the Memphis International Paper Money Show which will return to the Cook Convention Center – East Hall in Memphis, Tennessee from June 19 through June 21.

You can learn more at the web site - <http://www.memphisipms.com>. The Memphis show, hosted by Lyn Knight is our Society's main event of the year, though we do continue to have regional meetings at other shows.

The final agenda is not set, but we will start off Friday morning with the annual SPMC breakfast across the street from the Sheraton Hotel at the Crowne Plaza Memphis Downtown Hotel. People will begin to gather at 7AM with festivities starting at 7:30AM and the goal of wrapping up as the show opens to the public at 9AM. This is one of the most fun numismatic events of the year and we hope you attend! See the SPMC web site to get tickets in advance on the products page.

The Peter Huntoon speaker series runs through the event with a rich agenda of leading paper money researchers presenting their latest findings. The agenda is not final yet, but look for it at the Memphis show web site - <http://www.memphisipms.com>. One of these will be the SPMC meeting and the program will be identified soon. For a sample of the kinds of talks given, see the 2014 agenda here - <http://www.memphisipms.com/MemphisTalks2014.pdf>

Exhibiting is always fun and educational and I understand there will be some major exhibits again on display in 2015. I am in my final planning for a simple exhibit this year – probably one case or so. You can exhibit one case or 20 – all are interesting and help make this event special! Bob Moon will assist Mart Delger, the Exhibit chair and we will have a slate of judges including Wendell Wolka, Bob Vandevender, Nancy, and Gary Dobbins. A fun award ceremony will be held late Saturday afternoon for some awards.

The literary awards are now open to membership voting on our web site and were highly popular last year, so please take advantage of this opportunity to have your voice and opinions be heard! Please go to <https://www.spmc.org/vote> and vote now! The SPMC obsolete database project for the SPMC web site led by Vice President Shawn Hewitt continues to make progress. Shawn and Wendell are exploring ways to have a preview of this work available at the Memphis paper money show in June. Demonstration

at the SPMC table, press interviews and release and other items are being considered.

I introduced a discussion about advisability of practice of allowing dealers to put SPMC logo in ads and business cards. This was a practice for many years; however concerns have been raised about "certification" of dealers by the SPMC. After some thoughtful discussion, it was determined that members in good standing could use SPMC logo in their correspondence, collateral material and ads, provided that the fashion in which it was displayed included clear indication that it referred to membership, not endorsement. It was felt that while contacting the SPMC regarding proposed use was advisable, it was not required. A ¼ page ad in Paper Money to explain our position, as well as this summary in presidential column felt warranted. Mike Scacci made the motion, and it was seconded by Mark Anderson that "Resolved, SPMC members in good standing may include the Society's logo in their correspondence, collateral material and ads, provided that logo's employ clearly refers to membership, not endorsement." The resolution passed unanimously.

It is my honor and pleasure to introduce Loren Gatch to the SPMC membership and welcome him as our newest member to the Board. Loren is a professor of political science at the University of Central Oklahoma in Edmond, OK, where he has taught since 1999. Prior to that he lived in Ithaca, NY, where I earned his PhD at Cornell University. He has been publishing articles in *Paper Money* since 2005, mostly on scrip and other financial ephemera. In addition to articles, more recently he has been contributing a column to each bimonthly issue. As a member of the Board of Governors, he wants to pursue three priorities. The first concerns outreach to, and encouragement of, those younger paper money collectors and researchers who will form the future backbone of the hobby. Second, he would like to explore strategies for creating community among existing collectors, young and otherwise, in dynamic, web-based formats. Finally, he believe that collectors and researchers alike would benefit from a systematic effort to establish an online archival repository of primary and secondary materials pertaining to the history and characteristics of currency and other financial instruments. Please join me in welcoming Loren Gatch to the SPMC Board.

Happy Hunting on the Paper Trails of Numismatics!

*Pierre Fricke*



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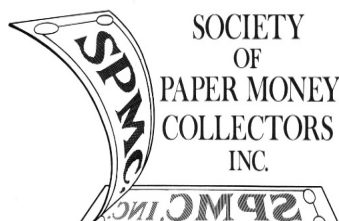
**John Herzog**

**William Higgins**

**Donald Kelly**

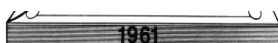
**Albert Pick**

**Fred Reed**



*These great friends have distinguished themselves personally and/or professionally above and beyond in their service to our hobby, and will be formally inducted at Memphis in June.*

*We thank them for their pioneering contributions, their generosity, and unflagging support.*



# MEMBERSHIP REPORT

BY FRANK CLARK—SPMC MEMBERSHIP  
DIRECTOR

## SPMC NEW MEMBERS

### 03/05/2015 - 14347 - 14354

14347 Michael Marotta, (C), Benny Bolin  
14348 John Duff, (C), Gregg Bercovitz  
14349 Jim Malone, (C), Long Beach Show  
14350 Christopher Roth, (C), J. Bradford  
14351 Joe Robertson, (C), Frank Clark  
14352 George Obeslo, (C), Website  
14353 John Rodman (C), Jason Bradford  
14354J Bill Stsetse (C), Website

#### REINSTATEMENTS

None

#### LIFE MEMBERSHIP

None

### 04/05/2015 - 14355 - 14366

14355 Carl Dumoulin, (C), Pierre Fricke  
14356 Bill Stanford, (C), Website  
14357 Paul Stettnisch, (C), Website  
14358 Daniel Polonyi, (C), Website  
14359 (C), Website  
14360 Michael King, (C), ANA  
14361 Darryl McLeod, (C), Website  
14362 Tim Keo, (C), Website  
14363 Mathew Weirich, (C, US Small,  
Confed, MPC, & Replacements), Website  
14364 Richard Smith, (C), Website  
14365 Lou Serignese, (C), Pierre Fricke  
14366 Gayland Stehle, (C), Scott Lindquist

#### REINSTATEMENTS

None

#### LIFE MEMBERSHIP

None

For Membership questions,  
dues and contact information  
go to our website

**[www.spmc.org](http://www.spmc.org)**

# **SPMC's Obsoletes Database Project**

## **Plan to Launch at Memphis 2015**

The Society of Paper Money Collectors is close to launching a test version of a new website dedicated to a census and cataloging of U.S. Obsolete Notes. This project is large in scope and needs the participation of dedicated collectors like you to be successful. In particular, we will be seeking State Experts (SEs) to manage the information for each state. SEs will be recognized on the site as authorities in their field of expertise.

The database has been pre-populated with Ohio and Minnesota data that has been collected over the years by Wendell Wolka and Shawn Hewitt. Additionally, there are issuer entries for all known state banks. We hope to incorporate other data soon. While the front end of the database is designed for single entry of notes, we will be able to accommodate bulk input via Excel spreadsheets.

If you would like to be involved and/or have obsolete note data that you are willing to share, please contact Shawn Hewitt or Wendell Wolka at your earliest opportunity. We are aiming for a general release of the website at Memphis 2015.

Our definition of obsolete notes is going to be rather diverse, and includes the following:

Private Bank Notes,  
Free Bank Notes,  
State Bank Notes,  
Chartered Bank Notes (any kind of note listed in Haxby)  
Post Notes,  
Certificates of Deposit (Non-Bank Notes, or pseudo-bank notes not listed in Haxby)  
Scrip (Merchant, Bank, Railroad, Company, Cardboard, Sutler, etc.)

Municipal Scrip  
Labor Exchange  
Postal Notes  
Panic of 1893,  
Panic of 1907,  
Depression Scrip (Emergency)  
Advertising Notes  
College Currency  
Tiffany Commission Scrip  
Savings Scrip (Depository)

## **Watch for more details on the SPMC website and at Memphis**



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(414) 698-6498

foleylawoffice@gmail.com

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# SELECTED BIBLIOGRAPHY

(Primarily of Colonial and Continental Paper Money and their Signers,  
as well as National Bank Notes)

by Roger Barnes

**In the January/February edition of *Paper Money*, I wrote a reference guide detailing notes signed by prominent citizens of Early America. Then in the March/April edition, I wrote a biographical abstract of some of the signers and printers. This is the bibliography I used for the first two articles.**

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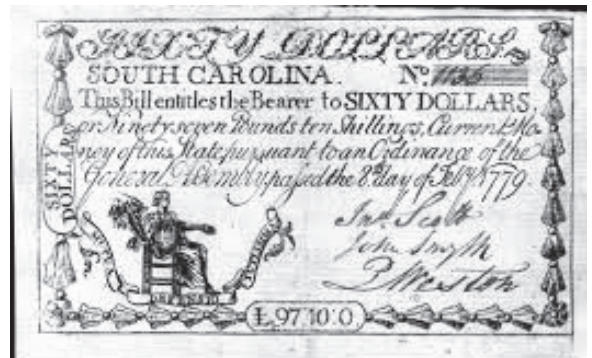
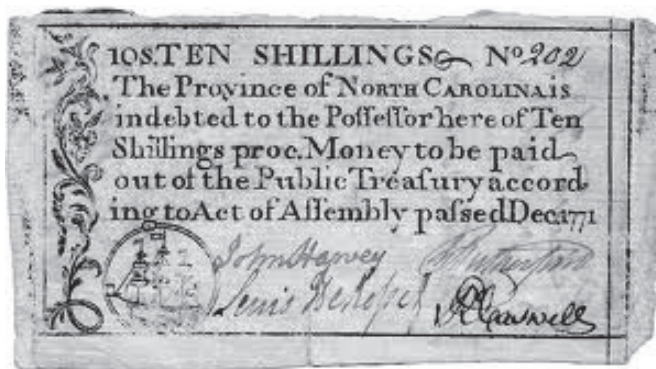
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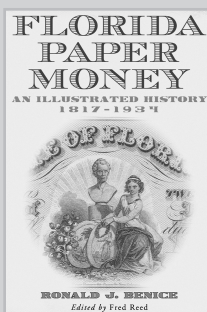
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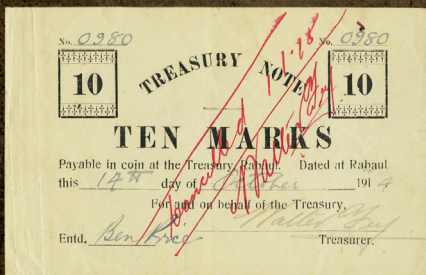
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